



Daily Report

East Europe

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NOTICE TO READERS: * indicates material not disseminated in electronic form.

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Italy's Cossiga, De Michelis Continue Visit

Nature of Visit Viewed

AU1308200091 Tirana Radio Tirana Network
in Albanian 1800 GMT 13 Aug 91

[Sokol Perihati report]

[Text] Dear listeners, I am talking from Rinas Airport, where Francesco Cossiga, president of the Italian Republic, arrived today on a friendly visit to our country. The special Italian Air Force plane on which the Italian president traveled landed on the runway of Rinas, where the national flags of Italy and Albania waved, at 1215 [1015 GMT]. To welcome Italian President Francesco Cossiga, Ramiz Alia, president of the Republic of Albania; Kastriot Islami, chairman of the Presidency of the People's Assembly; Ylli Bufi, chairman of the Council of Ministers; Muhamet Kapllani, minister of foreign affairs; deputies; ministers; representatives of the ministries, institutions, and political parties; and others came to the airport. Torquato Cardilli, Italian ambassador to Tirana, and Dashnor Dervishi, Albanian ambassador to Rome, were also present.

President Ramiz Alia, accompanied by Italian Ambassador Torquato Cardilli, approached the presidential plane. Albanian President Ramiz Alia met Italian President Francesco Cossiga, and welcomed him to Albania. Your arrival, President Alia said, is a great pleasure for me.

I have come much earlier than you perhaps intended, President Cossiga said. I made the decision to come, because I thought it very important, as a representative of the people and the state, to meet you myself. Zylfa Elvalato and Albana Cako handed bouquets to Italian President Cossiga and Albanian President Alia. Italian President Cossiga, accompanied by President Alia, then met representatives of the People's Assembly, the government, the ministries, institutions, political parties, etc.

Italian President Francesco Cossiga, accompanied by President Ramiz Alia, then set off for the Palace of Brigades in Tirana, where a meeting between the two presidents was organized.

The Albanian president, after welcoming the Italian president to our country once again, expressed appreciation of his visit as a very important event expressing friendship between our two countries and peoples. This visit, he said, is connected with the recent exodus that was such an unwelcome incident for our two neighboring countries. President Ramiz Alia expressed his appreciation of the stand of the Italian Government and of President Cossiga personally and of the care they have shown to the Albanian refugees. Such painful events are connected with the difficult situation and the changes taking place in Albania in this period of transition. In our path of development, to proceed with the economic and political reforms, such as the transition to a market

economy, privatization, etc., we also count on Italy's help. President Ramiz Alia pointed out that Italy is a friendly country on which we wish to rely to proceed with these reforms. Under these circumstances, we also bear in mind the development of the international situation. Talking about the situation in Yugoslavia, the president stressed that an undemocratic development in that country would entail negative consequences especially for Albania, because there are 2 or 3 million Albanians there who could be struck harshly by the Serbs. In the circumstances created at home and abroad, the president said, we highly appreciate Italy's help to Albania and on this occasion I wish to point out that your country is the sole country, or one of the main ones, to give great help to Albania so far.

Italian President Francesco Cossiga stressed that his visit to Albania was a rather special one. I have come here in breach of protocol. I decided to come to Albania this morning. [passage indistinct] I did not come here to teach you a lesson. My idea was to gain an impression of the situation in neighboring Albania. He said that the disappearance of barriers in Europe has also been accompanied by negative phenomena, also evident in your case, and with repercussions for Italy. Albania's current problems cannot be solved by emigration. My visit, he emphasized, is to express solidarity and friendship toward Albania and the Albanian people.

This meeting, which took place in a warm atmosphere of understanding, showed the close and friendly relations of cooperation between Albania and Italy, and the common desire to strengthen them further. Albanian Foreign Minister Muhamet Kapllani, Italian Immigration Minister Margareta Boniver, and Italian Deputy Foreign Minister Claudio Vitalone were also present at this meeting.

At the end of the meeting, the two presidents issued statements to representatives of the Albanian and Italian press, radio, and television.

President Cossiga said among other things: I do not think you expected a visit from the Italian president. What does this visit mean? It is not a reply to the invitation issued by the Albanian president, made some time ago through diplomatic channels. I decided to come to Tirana this morning. I (?contacted) the Albanian president, and he very politely said that he was ready to meet me. The Italians, as well as the Albanians, are faced with events that have recurred on an increasing scale. This exodus was caused by the difficult situation in Albania. At present, Italy is not in a condition to confront such phenomena, because it does not have the infrastructure and is not prepared. There is also a complex situation in the psychological and cultural sense. [Words indistinct] the second Albanian exodus. We tried to cope with the first one, whereas now, if we were to accept refugees, we would cause great problems for Albania, creating the feeling among the Albanian people that migration is the only way to overcome the difficulties in Albania. He later said that his visit is a

visit of friendship. I came here as a friend, with friendly and fraternal feelings. Italy will help Albania in solving its problems in the best way possible. In this context, he mentioned the greater aid that will come to Albania from the EEC and other international organizations, so that Albania may further develop economically and socially. This will enable Albanians to come to Italy in the future in still greater numbers, not impelled by an exodus or in despair, but to get to know our country. That is the meaning of my visit.

President Ramiz Alia said, among other things, that he wished to thank the Italian president for coming. Here in Albania, when a friend comes, he comes without knocking, and the Italian president came to Albania without knocking, like a true friend of the Albanian people. Excellent relations exist between Albania and Italy in all fields. There are no problems between our countries. What happened in Albania with the exodus was, of course, caused by difficulties in our country, where reforms are being carried out and changes are being made in the political, economic, and social fields. I wish to thank the Italian Government and the president of the Republic for the care they showed for the Albanian refugees both earlier and now. I know very well that it was a serious situation for Italy, too, not only organizationally but politically. We will do everything possible to ensure that such an exodus will not recur. In this sense, the aid that Italy will give Albania will also help. I spoke yesterday with Foreign Minister De Michelis, and now I have spoken with President Cossiga, and I notice an increased readiness on the part of Italy to help Albania. This aid will also take the form of EEC aid for Albania, so that other European countries will also be able to help our country. Once again, I thank the president of the Republic, who is a friend of our country. I would also like to greet the Albanian people, and all Italians must know that the Albanian and Italian peoples are and will remain true friends.

On the occasion of the visit to our country of Italian President Cossiga, president Ramiz Alia hosted a luncheon in the Palace of Brigades. Attending the lunch were Dr. Kastriot Islami, president of the Presidency of the People's Assembly; Ylli Bufi, chairman of the Council of Ministers; Gramoz Pashko and Zydi Pepa, deputy chairmen of the Council of Ministers; Teodor Kareco, secretary-general to the Council of Ministers; Muhamet Kapllani, minister of foreign affairs; Perikli Teta, minister of defense; Ylli Cabiri, minister of foreign economic relations; Agim Mero, minister of trade and tourism; and others.

Premier Ylli Bufi also received Italian President Francesco Cossiga at a separate meeting. At the meeting, they discussed the further development of relations in various spheres, Italy's commitment to supporting the economic reforms in our country, and the causes of the exodus. It was said at the meeting that stronger cooperation between the two sides will avoid a repetition of the exodus.

Italian President Francesco Cossiga left our country today. He was seen off at Rinas Airport by Ramiz Alia, president of the Republic of Albania; Dr. Kastriot Islami, president of the Presidency of the People's Assembly; Ylli Bufi, chairman of the Council of Ministers; Muhamet Kapllani, minister of foreign affairs; deputies, ministers, representatives of the ministries, institutions, and political parties, etc.

The presidential plane bearing Italian President Francesco Cossiga took off from the runway at 1623.

Before he left, President Cossiga said:

[Begin Cossiga recording in Italian, fading into superimposed Albanian translation] The aim of my visit to Albania was to show that there is no problem between Italy and Albania, and that everything can be solved in a friendly fashion. [end recording]

At the airport, we also obtained this interview from President Ramiz Alia. Mr. President, what is your opinion of the visit of Italian President Francesco Cossiga to Albania?

[Begin Alia recording] It was a friendly visit that shows the close and friendly relations between Albania and Italy. President Cossiga came just like a true friend. He came as a friend comes to another friend. He knocked at the door, and the door opened, because doors will always be open between us. [end recording]

Cossiga Briefs Press

*AU1408090291 Rome ANSA in English 0803 GMT
14 Aug 91*

[Text] (ANSA) Tirana, August 13—Italian President Francesco Cossiga stressed the excellent relations between his country and Albania at a meeting with the press at the end of his lightening visit here Tuesday, 13 August.

"I came to Albania not in response to a diplomatic invitation, but because I was afraid that an 'Italy-Albania affair' was building up at this very difficult moment for our two countries," Cossiga, who was accompanied by Albanian President Ramiz Alia, told journalists.

Cossiga arrived back in the southern Italian port of Bari at 1700 (1500 GMT) after a trip which was announced only Tuesday morning, and came towards the end of a huge operation to repatriate up to 17,000 Albanians who fled to Italy last week. Only a few hundred of the would-be immigrants now remain, holed up in Bari stadium and determined not to leave.

"Had an 'Italy-Albania affair' really been created, the situation could have become really dangerous," the head of state said. In a clear reference to Yugoslavia, Cossiga went on "in the surrounding area there is already too much suffering for new political problems to arise."

"Italy found itself faced with a biblical situation, the causes of which are various, and in which our country

seemed to be the only way out. But Italy could not allow itself to bear the brunt of this exodus and anyway it is not in this way that Albania's problems will be solved," he added.

Stressing the excellent relations between Rome and Tirana, the unexpected trip here was carried out in a brotherly fashion, the president said. "I did not come here to protest, to complain, or to threaten. I came here as a friend, no, more as a brother. Not as a big brother, but a brother of the same age." Cossiga confirmed that Italy would be stepping up aid to Albania as promised in a visit here Monday by Foreign Minister Gianni de Michelis who said 70 million dollars would be earmarked for food in the period from September to November.

Seven planeloads of Italian food aid have already been flown to the poverty-stricken Balkan nation, and Italian forces have been given the go-ahead to create bridge-heads for food distribution in the ports of Durres and Vlore. A military delegation was in Tirana Tuesday to discuss this programme, and the patrolling of Albanian waters by Italian forces to ensure no further exoduses.

Cossiga also told the press that Italy would be pressing for more support from the international community for helping Albania through its difficult transition from hardline Stalinism to political pluralism and a market economy.

President Alia voiced hopes that episodes such as last week's mass flight, and thanked Cossiga for his visit. [sentence as received] "The true friend is the one who arrives without knocking on the door."

De Michelis Leaves

AU1308093591 Tirana ATA in English 0817 GMT
13 Aug 91

[Text] Tirana, August 13 (ATA) — Italian Foreign Minister Gianni de Michelis left our country on August 12. He was seen off at the airport by the Minister of Foreign Economic Relations Ylli Cabiri and other officials of this ministry.

Present was also the ambassador extraordinary and plenipotentiary of the

Prime Minister Terms Cossiga Visit 'Historic'

AU1408093891 Rome ANSA in English 0839 GMT
14 Aug 91

[Text] Tirana, 13 August—The lightning visit here Tuesday [13 August] by Italian head-of-state Francesco Cossiga was dubbed "historic" by Albanian Prime Minister Ylli Buqi today.

Approached during a ceremony here to inaugurate the Albanian Office of the United Nations development program, Buqi told ANSA that the Cossiga visit was a

political gesture which clearly demonstrated that relations between Italy and Albania have not been harmed by the dramatic exodus of would-be Albanian emigrants.

He also said that Italian aid to this tiny Balkan state was aimed at encouraging the political efforts underway here.

The recent exodus has served as a destabilizing factor in the process of democratization in Albania and was an indication that tensions in the country remained high, Buqi went on.

The premier stated that there was no doubt that forces existed which wanted to exploit this situation to undermine the democratization underway.

At the same inauguration ceremony today, Foreign Minister Muhamet Kapplani also stressed the importance of the Cossiga visit and the Italian president's sudden and personal decision to come to Albania.

"With this visit, I believe the Italian president wanted to clearly state that no one must get the impression that relations between the two countries have been damaged by the exodus," Kapplani. Italian Republic in Tirana, Torquato Cardilli.

Soviet Ambassador Holds Reception on Embassy Opening

AU1308131791 Tirana ATA in English 1003 GMT
13 Aug 91

[Text] Tirana, August 13 (ATA)—On occasion of the official opening of the Embassy of the USSR in Tirana, the ambassador extraordinary and plenipotentiary of the Soviet Union, Viktor Nerubaylo, gave a reception at its seat.

Attending were Dr. Kastriot Islami, chairman of the Presidency of the People's Assembly; Zydi Pepa, deputy chairman of the Council of Ministers; Dr. Teodor Kareco, secretary general of the Council of Ministers; Ilir Bocka, deputy foreign minister; representatives of political parties; officials of the Foreign Ministry; officials of different educational, cultural, and scientific institutions and working people of the press.

Present were also heads and officials of the diplomatic representations accredited to the Republic of Albania.

'Angry Crowds' Seize Local Government Records

AU1308180291 Tirana ZERI I POPULLIT in Albanian
6 Aug 91 p 1

[Article by Zija Collaku, inspector in the General Directorate of the State Archives: "Vandalism in the Archives of Cooperatives and People's Councils"]

[Text] I was in Mat District recently, and witnessed the acts of destruction and vandalism against buildings, offices, stables, and the archives of several cooperatives and people's councils in the district, such as Zenisht, Komsa, Bata, Karice, Shelli, etc. Angry crowds armed

with pickaxes attacked these buildings, destroying everything that was built with the sweat of the people. They flattened them to the ground and destroyed some of the archives housed in these buildings. These vandals also wanted to destroy other facilities such as nurseries, kindergartens, clinics, and shops in the villages, which we have built at great cost, almost as if we were a powerful state and these facilities were superfluous. Why is this happening, precisely when the homeland now needs more labor and sweat for construction? Why is this happening, when we are moving toward Europe with the measures being taken by the Government of National Stability to regulate the situation in the country? Why is this happening, when these buildings and documents belong to the people themselves, who will no doubt want them in the future? Ordinary people are angry at such acts of "bravado," and demand that these people be brought to justice. What is worst is that in some cases the forces for the preservation of order were aware of what was happening and took no preventive measures. Ordinary people who were pained at this waste of the people's labor tried to rescue the documents and removed them to their homes, so that they may be available to cooperativists in the future. Their main aim was to preserve these documents somehow, and although this is not a final solution, we think that they did well. The Executive Committee of the District People's Council must now urgently consider how to gather and protect these documents, according to the regulations.

In the situation through which we are passing, the Council of Ministers and the General Directorate of the State Archives have issued instructions for the preservation and administration of documents in all ministries, institutions, executive committees, enterprises, agricultural cooperatives, and village people's councils. Why did Mat District therefore find itself unprepared for this problem? Who is responsible? These events must teach a lesson to other districts and urge them to take concrete measures in cooperation with the forces for the preservation of order.

The Executive Committee of Mat District People's Council has sent telegrams to all the agricultural cooperatives and people's councils in the villages, ordering them to take measures to safeguard documents in safe places and to hand them over later according to instructions. Measures have also been taken to protect these buildings with armed guards. The public is disgusted, demands stern measures, and asks the forces of order to act fast.

Fraud Squad Chief on 'Wheeler-Dealers'

AU1308095191 Tirana ZERI I POPULLIT in Albanian
4 Aug 91 p 3

[Bashkim Koci interview with Dilaver Bengasi, chief of the Tirana Branch of the Fraud Squad, date not given: "The Fraud Squad Is Coming!"]

[Text] [Koci] How far have hucksterism and wheeling and dealing spread in Tirana?

[Bengasi] I am obliged to say that they have spread to an incredible extent, especially here in the capital. The economic crisis has brought with it a rise in economic and social crime. The desire to gain has risen at an unprecedented, unheard-of pace. The problems are the thefts at the people's expense committed by certain wheeler-dealers, who sell goods that are in short supply. However, we have also observed thefts "under instruction." For instance, oil is sold in short measure by 30-40 milliliters, macaroni is sold short weight by 200 grams, bread is short-weighted by 150-200 grams, etc. This, we must realize, arises in the warehouses where the goods are packed.

[Koci] What is your position, when faced with this situation?

[Bengasi] When we notice and identify offenders, we try to act according to our authority to bring the culprits to trial. So far, charges have been laid against 900 citizens, 30 of them managers.

[Koci] While we are on the subject, have you observed corruption among state managers?

[Bengasi] I would say so. What other word can you use when the manager of a trading enterprise privately sells goods in short supply? If you sell 10 quintals of sugar at a low price to a private trader at a time when the workers in the enterprise's cake department are receiving 80 percent of their wages because of the absence of sugar, this means that you as a manager have made a deal for your own profit.

[Koci] Is it true that there were illegal activities at the Enver Hoxha Museum?

[Bengasi] Yes. Cars, television sets, and tape recorders, etc. were bought and sold in contravention of the law. Responsibility for this trade, which was not approved by the law, i.e. the purchase and sale of these goods at prices largely decided by the directors of the museum, falls on the people who became involved in this "business." I can mention the name of the director Petro Stefani. The Fraud Squad has taken the appropriate measures against this business. However, there have been irregular activities elsewhere, too. As the saying goes: One grape sees another and ripens.

[Koci] What have you in mind?

[Bengasi] Dese Jaku, the director of the Palace of Congresses, also dealt in a considerable number of television sets, which we, as a first step, confiscated.

[Koci] What conclusion did you reach?

[Bengasi] The problem is still under investigation, but we have so far established the fact that all these crimes were committed with the connivance of the Chamber of Commerce under the Ministry of Foreign Economic

Relations. What is worse is that when the Fraud Squad pounced on these crimes, there were interventions that went as far as forged documents in order to impede our work, as in the case of the directors of the "Albania Today" Exhibition.

[Koci] Such things happened there too?

[Bengasi] Even more of them. The illegal profits of individuals at this exhibition were as high as 300,000-400,000 new leks per person. So far, the police have confiscated about \$6,500 and 700,000 new leks. I would like to mention here the responsibility of the director Ali Zajmi, who permitted the import of certain goods "for trade." However, these goods fell into the hands of certain persons who appropriated them. These sums are higher than any sums seized by the Fraud Squad.

[Text] [Koci] Readers would like to know how much the Tirana Fraud Squad has seized.

[Bengasi] So far, the sum has reached 1,200,000 new leks.

[Koci] I see you are in a totally inadequate office.

[Bengasi] This is another problem. As you see, 32 people are in two offices stuck down here in the basement of the Executive Committee of the District People's Council. You can imagine how much work gets done.

[Koci] Have you funds?

[Bengasi] Nothing. Three days ago, they lent us a car. Even this was on the instruction of the chairman of the Executive Committee.

[Koci] What about staff training?

[Bengasi] We are totally inexperienced. It seems we are slowly taking matters in hand. We hear more and more often hucksters and wheeler-dealers shouting, "The Fraud Squad is coming!" Nevertheless, I think that special courses with special programs should be started in the country's military schools. This would not only increase our professional standards, but those of the military too. The Ministry of Finances is studying how to reinforce the Fraud Squad with trained staff.

[Koci] I think there have also been problems with foreigners.

[Bengasi] A flood of visitors, tourists, and traders will also lead to the appearance of international crime. I would mention traffic in drugs and armaments.

[Koci] What can you do about this?

[Bengasi] I think we will have our work cut out in Tirana. I see it as vital to cooperate closely with the police and to immediately establish ties with international bodies such as Interpol. I think it is also necessary to send specialists to courses in schools of this kind in some European country.

Legislative Groups Examine Bill on Unemployment Relief

AU1308132091 Tirana ATA in English 1005 GMT
13 Aug 91

[Text] Tirana, August 13 (ATA)—On August 12, afternoon, the People's Assembly did not hold its plenary sitting. The parliamentary groups examined the suggestions made by the respective commissions on the draft-law "On Social Support for the Persons Who Remain Jobless Due to the Application of Economic Reform."

The People's Assembly continues its proceedings on August 13, at 1000.

Zhelev Speech at Army Leaders' Promotion Ceremony

AU1308193491 Sofia BULGARSKA ARMIYA
in Bulgarian 8 Aug 91 p 1

[Official speech by President Zhelyu Zhelev at an Army promotion ceremony in Sofia on 7 August 1991]

[Text] Gentlemen, Generals, and Officers:

The Armed Forces of our country are one of the main foundations of our national security. Despite the global crisis, caused by reasons well known to us all, that our country is living through, we have a modern Army, well armed and with highly trained army personnel. The exercise carried out by the Third Army this year in July showed the government and the political parties that Bulgaria has the necessary defensive military power and, what is perhaps most important, highly trained military specialists, honest patriots, ready to guarantee the integrity, independence, and development of a democratic Bulgaria. The generals and officers of our army unequivocally deserve great credit for this, and for this we thank them.

It is incorrect and disrespectful when people say that the Army is almost "decaying," that its authority is being undermined as a result of the process of democratization in our society. I believe it is abundantly clear to everyone that there is no modern army without authority. However, I would like to say that specifically as a consequence of democratization the Bulgarian Army at last has a great chance to receive its real, deserved place in our life, to be a real defender of national sovereignty and the territorial integrity of Bulgaria.

The Army, like our society, is a live organism. Naturally, some cadres leave and others come in, but most important is that it is always hardy, on the level of our national interests. I thank the retired generals and officers for the work that they have done for the good of the Army.

Together with the leadership of the Ministry of Defense, we discussed and promoted to fundamental posts of command young, highly trained generals and officers, who had shown good leadership, organizational activities, and honest patriotism under military conditions. I express my confidence that, under their command and with the combined efforts of the state leadership, our Army will continue the reform already begun and in the near future turn into an even more auspicious guarantee of our country's security.

Good luck, gentlemen, generals, and officers!

First Deputy Defense Minister Petrov Interviewed

AU1308154991 Sofia DUMA in Bulgarian
8 Aug 91 p 1

[Interview with Colonel General Lyuben Petrov, first deputy minister of defense and commander of the Bulgarian Army General Staff, by Yassen Borislovov; place

and date not given: "Colonel General Lyuben Petrov Wants To Be Remembered as an Honest Man"]

[Text] Colonel General Lyuben Petrov, the new first deputy minister of defense and commander of the Bulgarian Army General Staff, was born on 22 April 1938 in Elenovo Village, Sofia region.

He joined the Army in 1959 and passed through all steps of the military hierarchy—from platoon commander to commander of an army. Since August 1990 he has been first deputy commander of the General Staff. He is a graduate of the "Vasil Levski" Higher Military School, the "Frunze" Military Academy [USSR], and the General Staff Military Academy. He is married and has two children.

[Borislovov] How would you like to be remembered as commander of the General Staff?

[Petrov] I do not want to be remembered as a personality in the history of the Bulgarian Army. I would like to be remembered as an honest and devoted man of principles. I will strive to unite the efforts of all military employees in improving the combat power of the Army, in order to facilitate the implementation of its basic task—defending the territorial integrity and sovereignty of Bulgaria—and turn it into a stabilizing factor in the peaceful transition toward democracy.

[Borislovov] Are you burdened by the new rank?

[Petrov] Very much, both directly and indirectly. For me, it means first of all more responsibility.

[Borislovov] You began as a platoon commander and today you are the first deputy minister of defense. Will you become a minister?

[Petrov] I have no such ambitions. I have never strived for posts and titles.

Army Commander Interviewed on Visit to Greece

AU1308104191 Sofia BULGARSKA ARMIYA
in Bulgarian 7 Aug 91 pp 1, 2

[Interview with Lieutenant General Angel Angelov, commander of the Ground Forces of the Bulgarian Army, by Major Georgi Vuchev, on his visit to Greece to establish contacts between the commands of the two Armies; place and date of interview not given: "We too Have Something To 'Buy'"]

[Excerpts] At one of the meetings in Athens, in addition to the exchange of souvenirs and statements on the need for our countries to set an example for the region in both the military and sociopolitical spheres, Colonel General Verivakis, chief of the General Staff of the Greek Armed Forces, also expressed the wish for army contacts in the future to be established at lower levels. In fact, the visit of the Bulgarian delegation led by Lieutenant General Angelov and including heads of departments from the

Land Forces Command, Major General Yanchev, head of the Vasil Levski Higher People's Military School in Veliko Turnovo, and other officers, represents one form of this "down escalator." Following the meetings of the chiefs of the General Staffs and Ministries of Defense of the two countries, in fulfillment of the accords stemming from the signed cooperation treaty, our delegation made a goodwill visit lasting almost two weeks at the personal invitation of Lieutenant General Skarvelis, chief of the General Staff of the Greek Land Forces. [passage omitted]

[Vladkov] I put two questions to Lieutenant General Angel Angelov, commander of the Land Forces of the Bulgarian Army:

Lieutenant General, what surprised you during your visit to Greece?

[Angelov] Most of all, the frankness of the conversations. No question that we asked failed to receive a full answer. Indeed, it turned out that we did not have so much to hide from one another. I assumed that the prestige of the army officer's profession and the respect shown to the Army have quite different dimensions in Greece, but it is quite another thing to be able to see and hear with one's own eyes and ears. During one of our journeys by car in Athens, we ran up against some streets that were blocked off because the Mediterranean marathon was being held. However, when the police found out what sort of delegation it was, the road was quickly cleared for us. This simply could not happen in Bulgaria....

The Greek officers were not particularly happy either with their pay, but evidently their prestige is measured not only in terms of money. Judge for yourself—the villas, houses, and apartments of the officers in Greece are in the most prestigious districts and areas. Every senior commander has his own official aircraft or helicopter. As for me, I do not even dare to order a coffee for myself. It is good that our hosts were so kind and attentive toward us.... Another thing that surprised me was the number of women in the Greek Army, most of them noncommissioned officers, although they are not accepted for training at the military schools. The commanders hold the view that they work outstandingly precisely and efficiently as guards, drivers, and secretaries, for example.

[Vladkov] What can we "buy" from the experience of our Greek colleagues?

[Angelov] I am convinced that we have hit the nail on the head as far as the structure of our training year is concerned, for example. We will probably also move toward training centers, but at a lower level. We will send our junior commanders for further training in military schools after they have gained some experience in the units. The entire personnel will take part in seasonal training with weapons and equipment. We will devote greater attention to maintaining training and material facilities, despite the fact that, in contrast to the Greek or

Turkish Armed Forces, in which central depots of equipment and apparatus are a rarity, we have done marvels regarding our equipment; on the other hand, we have turned our back to people's living conditions. The Greeks, for example, have no training machines and vehicles. The tanks, vehicles, and so on are allocated to a specific person, who drives them and fires the guns. A further matter for investigation is that they have smaller numbers of offices and training equipment, but because of this they have more combat troops, and evidently because of this the morale of their servicemen is better.

BSP Accused of 'Attempts To Discredit' Zhelev

*AU1308192691 Sofia BTA in English 1847 GMT
13 Aug 91*

[Text] Sofia, August 13 (BTA)—Mr. Ivaylo Trifonov, chief of the Office of Bulgarian President Zhelyu Zhelev, described yesterday's declaration of the Presidium of the Supreme Council of the Bulgarian Socialist Party (BSP) as "a maneuver to draw attention away from the trap into which the BSP has fallen by supporting Art. 11 of the Elections Act which practically deprives our compatriots abroad from the right to vote."

In tonight's Otzvuk television programme Mr. Trifonov accused the BSP of making systematic attempts to discredit President Zhelev. Mr. Trifonov recalled other similar statements of BSP functionaries and publications in the socialist "DUMA" daily.

According to Mr. Trifonov, the BSP leadership deliberately keeps silent on President Zhelev's attitude to street acts inconsistent with democracy and the Bulgarian law. "The president's attitude is explicitly negative," Mr. Trifonov stressed, referring to President Zhelev's repeated statements on these lines, including his latest press conference which provoked the BSP protest declaration. According to Mr. Trifonov, President Zhelev's statement which the BSP called "unacceptable intervention in the election campaign" expresses his concern about a possible increase in tensions in Bulgaria. The president's alarm stems from recent public opinion polls according to which social peace may be shattered if the BSP wins the elections.

"The president has received piles of telegrams from this country and abroad in which people protest against the parliamentary decision on Art. 11 of the Elections Act which practically deprives Bulgarians living abroad of their right to vote," Mr. Trifonov said. He confirmed the decision of the president to return Art. 11 for reconsideration.

BSP To Run in Elections in Coalition

*AU1308150091 Sofia BTA in English 1422 GMT
13 Aug 91*

[Text] Sofia, August 13 (BTA)—A source from the Presidium of the Bulgarian Socialist Party (BSP) told BTA that the BSP is holding active talks and may soon

announce the formation of a coalition with the Fatherland Party of Labour and the group that split from the Movement for Rights and Freedoms (DPS).

Today's "DUMA," the BSP daily, writes that MP's Miroslav Durmov and Yuliy Bakhnev who left the DPS intend to set up a Constitutional Rights and Freedoms Political Club. The BSP source referred to this club when talking about a future coalition.

Mr. Durmov told BTA that such negotiations are being held but it is too early to say whether they will be successful.

The Fatherland Party of Labour was set up last year on the basis of the National Committee for the Defense of National Interests. It is influential among the Bulgarians living in the mixed-population regions.

The not so popular Christian Republican Party, Bulgarian Liberal Party and Women's Christian Movement will probably also form a coalition with the BSP. The BSP announced its cooperation with these parties as early as June.

Possibility of Forming Leftist Bloc Viewed

*AU1308155391 Sofia DUMA in Bulgarian
8 Aug 91 p 4*

[Vanyo Stoilov article: "Buzludzha Indicated Shape of Future Leftist Bloc"]

[Text] In the course of three days, five parties celebrated their anniversary on Buzludzha Peak: The Bulgarian Workers Social Democratic Party [BRSDP], the Bulgarian Communist Party [BCP], the Bulgarian Social Democratic Party [BSDP], the BCP (Marxists), and the Bulgarian Socialist Party [BSP]. While rather different, those parties were unanimous on one point: Each is searching for partners in the political arena and does not wish to remain alone. So far there have been no specific results, but the leaders did not hide the directions of their intentions.

According to Architect Manol Dimitrov, first secretary of the BRSDP Central Committee, his party is resolved to establish a Bulgarian peasant-worker bloc and seeks contact with the Bulgarian Agrarian National Union. He does not consider the BSP an opponent, and under certain conditions, he could visualize a coalition with that party.

Vladimir Spasov, BCP leader, belongs to a united leftist people's front that will prevent the restoration of capitalism, as he put it.

At the BSDP celebration, it was pointed out that the party is conducting negotiations on an election coalition with the Agrarian Unions and the parties of the Union of Democratic Forces [SDS], which signed the coalition agreement. So far no positive words have been addressed to the BSP, however the main reproach was directed at the SDS-Movement, which "did not fulfill political commitments and promotes its own careerism." The Social Democrats

rely on establishing a new political force that will defend the interests of the Bulgarian people and consider the party's activity within the SDS as insufficient.

It has already become apparent that the BSP is not as lonely as those who predict its political death would like to believe. At the celebration on Buzludzha Peak, Aleksandur Lilov predicted a second Buzludzha and pointed out that coming together, a factor that characterizes the progress of world history today, must also dictate relations between the BSP and the BSDP.

Dr. Aleksandur Moskov, BSDP honorary chairman, successfully summarized all this in the following manner: "The unification of the progressive forces will be imposed by capitalism itself, which is emerging, accompanied by reaction, conservatism, and exploitation. This imposes upon all progressive forces and movements, which I would not like to call leftist, to unite in the name of the socialist republic, as inscribed in the constitution."

There are discussions about the concepts that most precisely characterize the political situation in our country. There are also differences in the assessment and views of the future. Nevertheless, none of the parties that was searching for its roots on Buzludzha relinquished the socialist idea. This factor unites them in our political scene and will probably help them to more easily find their place in our changing society.

Of course, for the time being Buzludzha did not point out, but rather implied, the shape of the future leftist force that Bulgaria needs. The division of the people into dozens of parties will inevitably lead to a realignment of forces. The time will probably come when the united leftist force will celebrate a single anniversary on Buzludzha Peak.

SDS National Movement Attacks SDS-Liberals

*AU1308164991 Sofia DUMA in Bulgarian
9 Aug 91 p 2*

[Violeta Zheleva report]

[Text] The formation of the Political Consultative Council of the Union of Democratic Forces [SDS] is not only a threat to democracy, but also a new stage of the "Wedge" operation. Elka Konstantinova declared at the SDS news conference yesterday. She considers that it will confuse the voters and serve the election campaign of the Bulgarian Socialist Party.

The SDS-Liberals' rating is falling, and they will not even break the 4-percent barrier at the elections, said Stoyan Ganev, referring to studies. Stefan Savov summed up by saying that the formation of the Political Consultative Council was an act of desperation, after the Bulgarian

National Agrarian Union-United [BZNS-United] had declined to form a coalition with them.

Stoyan Ganev stated that the SDS will protest to international organizations that the impossibility of Bulgarians being able to vote abroad is a restriction of their rights. Filip Dimitrov, Stefan Savov, Elka Konstantinova, and Mikhail Nedelchev made extensive statements criticizing Article 11 of the electoral bill, adopted on 7 July, under which Bulgarians abroad must return to Bulgaria in order to cast their votes. They will insist that the law is changed by the plenary session of the National Assembly before it runs up against a presidential veto. The SDS leaders consider that the electoral law should be adopted by Friday 16 July at the latest.

BZNS-United Permanent Board Meeting Reported

AU1308151991 Sofia ZEMEDEL'SKO ZNAME
in Bulgarian 8 Aug 91 p 1

[Unattributed report: "Process of Unification Is Irreversible; It Is Desired by Agrarians"]

[Text] A meeting of the Permanent Board of the Bulgarian Agrarian National Union [BZNS]-United took place on 7 August. The members of the BZNS-United Permanent Board reported on their meetings with activists from the municipal leadership of the United Agrarian Union in the former *okrug* cities. It was pointed out that the basic goal of those meetings was to complete the process of agrarian unity in the country. The need for a real boost in creating agrarian unity in the local branches, strengthening trust, and supporting the Agrarians in this long-desired enterprise was pointed out. The number of local BZNS-United branches is growing. All allied Agrarians have expressed their conviction that the BZNS-United is a leading opposition force in the regions.

The BZNS-United Permanent Board also discussed the issues of the local branches' participation in preparing and conducting the upcoming elections, the need to activate the participation of the BZNS-United Permanent Board and parliamentary faction in the process of unification, and the importance of utilizing the forces of youth in the forthcoming important political events in the country.

It was decided that the members of the BZNS-United Permanent board and parliamentary faction should continue their meetings with the united agrarians in the municipalities, in order to explain the BZNS-United economic, social, and cultural policy.

A new Editorial Board of ZEMEDEL'SKO ZNAME was elected.

Question Marks Hang Over BZNS-United

AU1308083191 Sofia DEMOKRATIYA in Bulgarian
6 Aug 91 p 4

[Prof. Aleksandur Yanchulev commentary: "Question Marks Hang Over the BZNS-United. Unification Does Not Lead to Unity, Nor to Strength and Power for the Opposition Agrarian Union"]

[Text] The National Unification Conference for establishing the Bulgarian National Agrarian Union-United [BZNS-United] is a historical fact whether one wants to admit it or not. The spontaneous movement for the unification of the agrarian union began at grass roots level, from the local organizations, appeared through the Club for the Champions of a United BZNS in Pazardzhik, passed through the Initiative Group for Unification of the BZNS, through the National Committee for Agrarian Unity, made itself public through the BZNS-United legislative faction, in order to reach the stage of the National Unification Conference. Nobody must doubt its legitimacy despite the fact that the Nikola Petkov Bulgarian National Agrarian Union [Nikola Petkov BZNS] official leadership did not attend the conference. However, to make up for this, tens of thousands of Nikola Petkov BZNS members from the whole country were represented by their legitimate delegations, sent by their united associations.

The strong desire of a large proportion of the Nikola Petkov BZNS local members to establish a united and strong agrarian union was second in importance to the national anticommunist movement that embraced the millions of nonparty members and members of all the political parties and movements united in the Union of Democratic Forces [SDS]. Having set out on the road of unification, these people took on board the party-specific agrarian interests in the name of the opposition coalition, called upon to remove the posttotalitarian Bulgarian Socialist Party [BSP] (which for a whole year has constantly been preaching that it has nothing in common with the Bulgarian Communist Party).

The hope that the BZNS-United will exert its powers within the SDS came tumbling down on the same day as the conference, with a categorical and unanimous decision made by the National Unification Conference. Despite being put point blank, this question was not given serious consideration, and from the political agreement signed and published in advance by the three wings of the agrarian union we are given to understand that "the BZNS-United will participate in the upcoming elections with its own ballot paper and a common ticket."

Moreover this was expected, bearing in mind the conduct of the BZNS-United legislative faction, who remained in the legislature in order to take part in the theatrical farce of voting for and signing the Constitution and distanced itself from the SDS's National Coordinating Council's stance and that of its parliamentary

faction. Thus the proclamation of the unification conference that the BZNS-United remain outside the SDS is totally in keeping with the conduct of the orange Bulgarian National Agrarian Union [BZNS] [orange is the BZNS party color]. One asks whether this is another one of the BSP's tactics to destroy the SDS's unity. It is highly likely, despite the sincere and enthusiastic participation of thousands of honest agrarians in establishing the BZNS-United. History will show whether or not they involuntarily became an instrument of communist tactics, led by the BSP's powerful propaganda machine for restricting and weakening the opposition bloc.

The fact that the BZNS-United adopted the BZNS's conduct and did not enter the SDS's election campaign does not mean at all that it is "enemy No. 2 of the SDS," as the socialist daily wrote. It is simply that the BSP gained from the agrarian unification, because it drew from the SDS deputies and voters who last year voted with a blue ballot paper, and who will probably vote with the orange ballot paper of the BZNS-United in the upcoming elections. At the same time, the SDS lost those agrarians who had left the Nikola Petkov BZNS, but who already definitively remained in the newly established BZNS-United. It must be obvious, however, that there are also supporters of agrarian unity and unification who at this stage will not accept independently the orange color and will again vote with the SDS's blue ballot paper until the socialists are beaten in the elections and removed from power.

However, there is also someone else who does not gain from the unification of the three wings of the agrarian union. However paradoxical it may seem, that is the BZNS-United itself, because this party, by declaring its own independent election campaign tactics, will not receive in effect either unity, or strength and power. Exactly the opposite would happen if the BZNS-United were to join in with the SDS. The effect of this would have been expressed, in more than any other way, in the acceleration of the process of complete unification with the Nikola Petkov BZNS, which alone is now reaping dividends from being part of the SDS, despite its increasingly worsening political image brought about by numerous disloyal legislative and nonlegislative acts and declarations. Internally, in the SDS, the ironing-out of the contradictions between the two agrarian organizations (mostly ending with the expulsion of disgraced individuals from the orange nomenclature) will in practice happen quickly and naturally, and unification will be accepted as a logical consequence of this closeness in one and the same opposition bloc.

The threat of some Nikola Petkov BZNS leaders, that they will leave the SDS if the BZNS-United joins it, is not serious. They know that this act will discredit them amongst their own membership and the BZNS-United will reap the rewards.

After this united agrarian union declares its position outside the SDS, the fundamental question arises of those of its members who in understanding, spirit, and

ideas stand with a steadfast civic stance behind the SDS's program during the days of the election campaign. These people will never return to the Nikola Petkov BZNS since they are disillusioned by the intellectual mediocrity of some of its leaders, their political disloyalty to their parties, and their developed sense of their own importance, which leads them to groundless demands and actions. There is no question that these people will remain true to the agrarian idea, but some of them will suspend their membership in the agrarian organizations, and the others will search for an area of activity within the parties and organizations that act both in the towns and in the villages.

There is no doubt that in the SDS there exist such parties with prominent leaders and programs that will impose their presence in line with the BSP and BZNS.

It can well be seen that the proclaimed unity of the BZNS has not led to the result desired by all agrarians. In the final account it has not brought about either agrarian unification or unity, and even less strength and power to the opposition in the SDS, represented by the agrarian union. Despite this the opposition bloc of the SDS will carry out its election campaign tactics independent of agrarian unity. This is because the main strength, on which the SDS hinges and which is its main electorate, is the millions of nonparty-affiliated anticommunists, and not the large parties. These voters carefully follow the conduct of the parties and their leaderships and nobody can pull the wool over their eyes (or influence them) with petty party matters. It is exactly these voters who will remove the BSP from power and who will rely on the most deserving deputies to rule the country.

TU Leadership on Work of Tripartite Commission

AU1308193591 Sofia TRUD in Bulgarian

8 Aug 91 p 1

["Position of the Executive Committee of the Confederation of Independent Trade Unions in Bulgaria on the Place of Independent Trade Unions in the Tripartite Commission"]

[Text] The Executive Committee of the Confederation of Independent Trade Unions in Bulgaria [KNSB] was briefed on the position of the KNSB National Strike Committee and on its recommendation to the KNSB to leave the Tripartite Commission negotiations table. The Executive Committee supports the concern and alarm about the country's grave situation and economic state expressed by the members of the Strike Committee. This alarm has profound reasons, related most of all to the increase in prices and the subsequent further deterioration of the population's standard of living. Naturally, this leads to increasing social tension in the country, something correctly assessed by the Strike Committee.

The Executive Committee estimates that a great number of the conclusions in the National Strike Committee's position are a result of insufficient or incorrect information on the part of its members. Thus, for instance, the

claim that the Ministry of Industry, Trade, and Services is restructuring the economy and works on the issues related to the enterprises' debts in an atmosphere of secrecy and mystery is incorrect. The KNSB actively participates in the work of all commissions of the Ministry of Industry, Trade, and Services, related to those issues.

In this context the KNSB Executive Committee adopted the following decision:

It rejects the proposal of the National Strike Committee to leave the Tripartite Commission and again confirms its position that precisely today, when the mechanisms to offset the price shock must be activated, and when negotiations on calculating a new social minimum and a new minimum wage must begin if those mechanisms fail to offset the shock, the KNSB must remain in the Tripartite Commission.

Both the issues prompted by the price increase and the strategy of the economic reform can and must be resolved through negotiating with the government and applying trade union pressure. In this sense, the Executive Committee again insistently appeals to its local branches to be true guarantors of social peace in the country and create a suitable atmosphere for further negotiations and for the economic reform's success.

Daily Interviews Podkrepa Leader Trenchev

AU1308135591 Sofia OTECHESTVEN VESTNIK
in Bulgarian 7 Aug 91 pp 1, 2

[Interview with Konstantin Trenchev, chairman of the Podkrepa Labor Confederation, by Khristo Karlukovski; place and date not given: "At the Beginning We Were Seven, Now We Are 700,000"]

[Excerpts] [Karlukovski] What does the Podkrepa Labor Confederation offer to the democratization of Bulgaria?

[Trenchev] Its principles. These are well known: We rule out compromise and deals with the old regime. Our principles are derived from serious analysis of the past and present. Everything in this analysis tells us that we must break with the past because it is rotten through and through. I believe that we have succeeded in upholding our principles, despite the fact that this was once construed as extremism, right-wing deviation, and so on. It is only now that the results of our principled position are beginning to be felt.

Today, Podkrepa is an organization that has grown 100,000-fold. At the beginning we were seven, but now we are 700,000 strong. We achieved this because we were always principled in our actions. Our credo is to eliminate the old system without the use of force. [passage omitted]

[Karlukovski] In your opinion, what are the major qualifications for the Podkrepa Labor Confederation

and the Confederation of Independent Trade Unions in Bulgaria [KNSB] to act as guarantors for the normal conduct of the elections?

[Trenchev] Our ideas are surrounded with speculation. However, it is quite a simple matter. You know that it is said that a lot of omissions were committed during the last elections. In this context the question arises of whether there are any forces that do not seek power but are able to guarantee fair elections in Bulgaria. Since these forces will not participate, this makes them impartial regarding the final results. The two trade unions are the only such large social organizations in Bulgaria.

This is what we propose: An equal number of representatives from both these trade union organizations, which are recognized world-wide, should be stationed at the polling stations and observe how the elections are held. They should take notes, write up their protocols, attend the counting of the ballots, and include the results of this in their protocols. These protocols will then be sent through trade union channels for processing at a trade union computer center. In this way we will be able to give our trade union report on the elections. If everything has gone normally, our report will be the same as the official one. We do not wish to act as advocates for any political force, only of fair play. In our plan, a contact group would be established between Podkrepa and the KNSB. [passage omitted]

[Karlukovski] Do you not think that the rejection of a referendum on the adopted Constitution, the 29 September date for the elections, and the lack of laws on the elections and the territorial-administrative divisions of Bulgaria will not change both the date of the elections and the degree of acceptance of the Constitution by the nation?

[Trenchev] We view the matter this way. Since the legitimacy of the National Assembly is debatable, it is obvious that the documents that the Assembly adopts will also be debatable. That is why we proposed that the people should have their say, and express it soon after the Constitution is signed. That would have given us information on the people's attitude toward the Constitution. The task of the next National Assembly stems from this information. In other words, the people's answer would have influenced both the date of the elections and whether the next legislature would be a Grand National Assembly or an ordinary one. According to our analysis, the optimal time for elections is during the second half of October. One of our main reasons for suggesting this is that now is not the time to distract attention from the economic reform. The period leading up to 29 September is no less important. There is a comparative lack of political activity in this period. Elections normally take place during the spring or fall. Why do we have to think up our own rules for the game instead of using the ground already tried and tested by many democratic countries?

[Karlukovski] Recently the concept of a "third center of power" has developed. Is this not aimed at assigning the trade unions a political function?

[Trenchev] "Center of power" is a concept which can be interpreted in different ways. In this particular context, I would say that there is and is not a third center of power. At the moment the political scene is totally chaotic. Somebody must take responsibility for some decisions. The trade unions are the most organized social forces right now. It is natural for them to take on the extra burden of ensuring the progress of the state.

We accepted responsibility for the economic reform because the political forces only paid lip service to it. We do not directly exercise any power and, therefore, are not a center of power. Our power derives from morality and ideas.

[Karlukovski] What is your opinion of the Grand National Assembly, the government, and the president?

[Trenchev] I believe that the period from 10 November 1989 can be split into three phases. If we are referring to the third period, the one following the fall of the Lukanov government, I believe that the Council of Ministers has completed a great deal of work. Its team has put in an enormous effort to bring about the changes. The Grand National Assembly has done the least. It was a structure full of internal contradictions that blocked its work. The output of the Grand National Assembly (the laws) are only prolonging the nation's agony. I believe that the third institution did not fully exploit its possibilities for exerting influence. It ought to have launched new initiatives that would have found wide popular response.

OH To Initiate Referendum on Constitutional Setup

AU1308132191 Prague CTK in English 1605 GMT
10 Aug 91

[Text] Prague Aug 10 (CTK) - The centre-left Civic Movement (OH) announced today at a session of its all-republic council that it will initiate the process for holding a referendum on the constitutional setup of Czechoslovakia at the next session of parliament in September.

OH Vice Chairman Pavel Rychetsky told a press conference that it looks as though it will be very difficult to pass a constitution providing for a fully functioning state before the next elections to parliament in June 1992.

The OH would like to join with other political parties to formulate an allied approach to the issue, he said, pointing out that political parties and movements have in recent months lost faith in the idea of a common state of Czechs and Slovaks.

Rychetsky said the OH leadership is planning to visit Slovakia in order to discuss the federation's future with actors on the Slovak political scene. The Council also debated a proposal for a law on screening public officials and journalists for past collaboration with the secret police. Rychetsky said the OH draft was intended to protect democracy, not to gain revenge and therefore allows for the possibility of legal defense.

OH member and Chairwoman of Czech parliament Dagmar Buresova noted that on September 5-6, the Presidiums (steering committees) of the Czech and Slovak parliaments will be meeting to discuss a possible inter-republic treaty.

Dubcek Expresses Opposition to Referendum

AU1308133191 Prague CTK in English 1618 GMT
11 Aug 91

[Text] Bratislava Aug 11 (CTK)—Alexander Dubcek, chairman of the Czechoslovak Federal Assembly (parliament), today told CTK he thinks now is not the time to resort to a referendum to decide the country's constitutional setup.

"Few people can imagine how taxing it would be", he said.

Dubcek noted that besides the Slovak National Party (SNS), not a single political party or movement in Slovakia includes the demand for Slovak independence in its program. Moreover, he stated, neither the Czech National Council nor the Slovak National Council (the Czech and Slovak parliaments) support the splitting of the present federation.

"After all, one cannot ignore or sidestep (the deputies') will, substituting in its place a referendum", Dubcek

said. Such a step should be resorted to only after all other constitutional possibilities have been exhausted, he added.

Dubcek also commented on the crisis in Yugoslavia, describing the current problems there as a warning of how complicated it is to solve centuries-old problems between nations with tolerance and understanding.

"I assume that the talks between George Bush and Mikhail Gorbachev will contribute to the solution of these kinds of problems in Europe and help the world", he said.

Democratic Left Leader on Czech-Slovak Relations

LD1308162291 Bratislava Ceskoslovensky Rozhlas
Radio Network in Slovak 1000 GMT 13 Aug 91

[Interview with Milan Ftacnik, chairman of the Party of Democratic Left Club of Deputies, by reporter Ivan Kosec on 13 August; place not given; first paragraph is announcer's introduction—recorded]

[Text] Debate about the Gabcikovo hydroelectric project should be resumed in the Slovak Council to ensure that the public knows the reasons why the project should be completed and in what way, Milan Ftacnik, chairman of the Club of Deputies of the Party of Democratic Left told journalists at a press briefing given by the party today. Ivan Kosec, our reporter, asked him a few more questions:

[Kosec] Mutual relations between the Czech and Slovak republics were the central subject at today's news conference. How have the events of the past few days influenced your view of this problem?

[Ftacnik] I believe the problem of Czech-Slovak relations, in particular as it has emerged during the past few days, has two dimensions at least—the Slovak and the Czech dimensions. I would like to say that we on the Slovak side should first sweep in front of our own doorstep. This is because Mr. Carnogursky, the prime minister, presented the views of the Christian Democratic Movement as the views of the Slovak Government, and later we learned that the government did not discuss the matter. I believe that it is high time for the Slovak political forces to clarify, at a joint meeting—which, alas, has not yet taken place—their attitude and their interests from the viewpoints of the constitutional set up vis-a-vis the Czech Republic.

From the Czech side's viewpoint, I would say their reaction is excessive compared to how we, on the Slovak side, see matters. This can especially be observed from remarks made by [Czech Prime Minister] Mr. Pithart, as well as other politicians. They constitute, I would say, an aggravation of civic and national relations that, in my view, is not reasonable. I believe that when Mr. Pithart puts the vision of integrated Europe as he sees it—that is, Europe without frontiers, without independent states,

without sovereignty—then I would like to ask him whether Frenchmen will cease to be Frenchmen, the English to be English, and the like. The notion "national" and "nation" is in Slovakia, and it is a real political phenomenon. One cannot simply ignore it.

[Kosec] During the past few days, a number of politicians spoke on the question of the referendum. Both Vaclav Klaus and Alexander Dubcek have adopted, on the whole, a negative stance. Public Against Violence and the Civic Movement will make moves in the autumn to hold such a referendum. In your view, can such a referendum put an end to discussions about the constitutional setup?

[Ftácnik] We believe that a referendum, in no case, can be the only medium in which salvation is to be found. Therefore, in this instance, we stand on the side of those views that say that, in the first place, the referendum cannot be announced at the first meeting of the Federal Assembly since the subsequent laws tied to such a referendum are not prepared. I believe a referendum can only give an answer to the question whether we should live in a common state or not. Therefore, as the Civic Democratic Party says, only a negative answer can be the positive outcome. If we ask the citizen whether he agrees with the breakup of the state and his answer is "no," we shall in effect have eliminated the extreme parties that advocate the breakup of the state, while not knowing what kind of the common state we want.

[Kosec] At the last briefing given by the Civic Movement, its representatives rebuked rather sharply some remarks made by your party chairman, Peter Weiss, in connection with the Gabčíkovo project and the Slovak Republic's dependence on the energy resources of the Czech republic, as well as in connection with the increased interest and influence of the USSR among a section of Slovak politicians.

[Ftácnik] Peter Weiss has already reacted to this in a statement that appeared in PRAVDA yesterday. I would only like to add two brief comments. The Civic Movement representatives seem to have implied that we are interested in the breakup of the Republic. Our election program says that we want to develop the Slovak Republic as a part of a federation of two equal and sovereign national republics. So far, we have not diverted from this course, and I believe that we have no reason to do so. Mr. Rychetsky voiced the idea that the mechanism of decisionmaking in the Federal Assembly should be changed since it operates on the premise that situations occur in which the minority is able to dictate to the majority. I believe that the situation is misinterpreted, because in all democratic legislatures there is a need for what is called a qualified minority, whereby a legislature needs a three-fifths majority to make decisions, for instance, on constitutional laws that are of exceptional importance to the whole country. The fact that the Slovak coalition that governs in Slovakia does not have a majority in the Slovak Council and, in effect, is not capable of ensuring such voting in the Slovak

section of the Chamber of Nations, well one cannot deduce from this that there is a need to change the principle itself, which we regard as immutable and literally democratic. I believe that, in the present political situation, it would be far more appropriate if the present Slovak political coalition altered their confrontational attitude toward the opposition to a constructive approach. I can say on behalf of the Party of Democratic Left that we are prepared for such an approach.

[Kosec] Mr. Miklosko, chairman of the Slovak National Council, admitted during recent discussions the possibility of reconstruction in the Slovak National Council Presidium. Miroslav Kusy spoke in the sense that a reconstruction would be appropriate but that the Presidium should be composed only of the coalition deputies. If we, in addition, take account of a report which appeared in LIDOVE NOVINY that the Movement for Democratic Slovakia has been attempting to lure to its side seven Christian Democratic Movement deputies who do not fully agree with Prime Minister Carnogursky's policy, what can we expect in the autumn?

[Ftácnik] This question is about what kind of line will be adopted. If the confrontational approach that I spoke of earlier gains the upper hand, Mr. Kusy's proposal might become a reality. This is because, although it is true that the government in Slovakia has minority direct support from the viewpoint of support from the Hungarian movement that is in the Slovak Council, it has a slight majority. By this majority, it can, in effect, also decide the composition of the Presidium, as Mr. Kusy has proposed. Should a constructive line be adopted, a line where we will seek solutions to the problems in Slovakia, then I believe that one could consider a certain form of proportional representation in the Presidium that would express precisely the changed mutual attitude of political forces.

Pithart on Kubat Dispute, Constitution Issues

LD1308211591 Prague Ceskoslovensky Rozhlas
Radio Network in Czech 1700 GMT 13 Aug 91

[Interview with Czech Prime Minister Petr Pithart by an unidentified correspondent, place and date not given: "A Meeting With the Prime Minister of the Czech government"—live or recorded]

[Excerpts] [passage omitted]

[Correspondent] Mr. Bratinka from the Civic Democratic Alliance [ODA], in fact, admitted that other intentions are at play here, too. Does this mean that together with Minister Kubat's post, your own (?post) could be also put in question, to put it simply?

[Pithart] Well, Mr. Bratinka and his party as a whole are very self-confident. I don't know him very well, and in this case, it might therefore be better if you ask him directly. But if it so happened that the [Czech National Council] Presidium does not approve my proposal [to fire Minister Kubat], I would find myself in a weaker

position, indeed. The ODA and Mr. Bratinka evidently want to make use of it, but I would rather say that they wish to abuse it because the weaker position in which I would find myself—and for that matter everybody in my position—is a consequence of a very special provision of the Constitution that has been in force since 1968 and that came into being when republican governments were unimportant and when their role was nothing. At that time—and this provision is still in force now—the prime ministers were not given the powers normal everywhere else in the world—the responsibility for their government, which is their prime responsibility. This means that the prime minister appoints and recalls the ministers. So that if I should find myself in such an impasse, then the reason for it is that the constitution that will without a doubt be invalid in the future, is still in force now. In this respect, I would therefore be inclined to use the word abuse, rather than use.

[Correspondent] Mr. Prime Minister, a topical question—and one which would have to be asked sooner or later. If the Presidium confirms Mr. Kubat's presence in the government, would you yourself resign from your post, or would you stay on?

[Pithart] In that event, I would turn to the Czech National Council plenum, not to its Presidium. I would probably have to insist that this problem be discussed by all deputies. The point is that the Presidium does not reflect very precisely the proportion of forces in the Council. And so, yes, I would probably turn to the Czech National Council plenum.

[Correspondent] Let us now return to slightly wider political connections. Do you have the feeling that all of this is already somehow related to the election struggle or the election campaign?

[Pithart] Yes, it does. Those who are setting in motion the wheels of the election campaign are wrong. Of course, it rubs off on the parties and movements that bear their own share of responsibility. It is naturally easy to criticize when liability lies elsewhere. [passage omitted]

[Correspondent] I would like to ask you now about the progress of work on the constitution.

[Pithart] Yes, the work on the constitution has made headway. Czech National Council deputies and experts have already reached agreement, in principle, on the entire constitution, although the last section of work, the work on the text has not been completed yet. But this is not important. It is rather a matter of knowing how to put things together. This means that the text must be ironed out and that petty errors must be put right. I do not know whether this is a good piece of news because what we need is not only to complete all three constitutions, but we need to achieve harmony between these constitutions. [passage omitted]

If this harmony is missing, then there is no point in saying that the Czech or the Slovak Republic have

drafted one, two, or eight versions of the constitution. What is important is that they are harmonized. I have been losing confidence recently in our managing to achieve this in a foreseeable future. On the other hand, I do not regard it as a catastrophe. [passage omitted]

I think that, in the meantime, we should adopt the part of the constitution on which we agree and to continue work on other parts, that we should make every effort in this respect but that we should not focus on any fixed date, because this cannot be done in politics.

Civic Movement Sees Confusion in ODS Ranks

AU1308191291 Prague CESKE A
MORAVSKOSLEZSKÉ ZEMEDLSKE NOVINY
in Czech 10 Aug 91 p 2

["(iko)"]-signed report: "Did Klaus Give a Guarantee?"

[Text] "We have at our disposal an assurance that Civic Democratic Party [ODS] Chairman Vaclav Klaus personally guaranteed Petr Pithart his support in recalling Bohumil Kubat. Therefore, it seems absurd to us that, on the one hand, Vaclav Klaus would express his professional objections against the Agriculture Ministry leadership—objections that, by the way, he formulated for the first time at the end of last year—and that, on the other hand, the ODS would vote in the Czech National Council [CNR] against recalling Agriculture Minister Bohumil Kubat." So much for the statement made yesterday by Civic Movement Secretary Lubor Kinst. In the case of the ODS and V. Klaus, does this mean that—on this occasion—the head did not know what its body wanted or, on the contrary, the body did not know what its head was doing?

According to a statement made yesterday by ODS Deputy Chairman Petr Cermak about P. Pithart's proposal to recall Czech Agriculture Minister B. Kubat, the ODS Club in the CNR will debate the issue on 20 August 1991 in the presence of ODS Chairman Vaclav Klaus, Czech Deputy Prime Minister Jan Strasky, and CNR Deputy Chairman Jan Kalvoda. The ODS leadership made no promises to anyone on this issue.

Pithart Comments on Separation of Republics

LD1408090391 Prague CTK in English 0731 GMT
14 Aug 91

[Text] Prague Aug 14 (CTK)—Czech-Slovak coexistence, problems in completing the Gabčíkovo hydroelectric power project on the Danube, socio-economic development and domestic politics are the main themes of interviews with Czech Premier Petr Pithart, carried by Wednesday's Czech papers MLADA FRONTA DNES and ZEMEDLSKE NOVINY.

In both interviews, Pithart refers to current attempts by Slovak Premier Jan Carnogursky and some Slovak politicians to weaken the Czechoslovak federation and strengthen Slovakia's independent status.

Pithart believes Carnogursky is not motivated by any grudge or hatred of the Czechs but says he "wants to spare Slovakia from the influence of the Czech lands, an influence that is harmful from (Carnogursky's) point of view... He proceeds from the idea that Slovakia is an untainted nation threatened by spiritual infection. I feel behind his statements an effort to separate Slovakia from the atheist Czechs". (MLADA FRONTA DNES)

"Carnogursky's opinion of the Slovak nation is that it should not get bogged down in a quagmire of decadent European...liberalism, meaning the quagmire of a secular modern society which the Czechs want. Slovakia is really a Christian, Catholic nation and it seems this basic characteristic at present determines the attitudes of a great part of Slovak political representatives, notably Premier Carnogursky", says Pithart in ZEMEDELSKE NOVINY.

According to Pithart, Carnogursky wants to minimize relations between the Czech and Slovak Republics and achieve their real separation later. Carnogursky's idea of a "minimum federation is no longer acceptable for us", Pithart says in MLADA FRONTA DNES.

In reference to a possible referendum on Czechoslovakia's state setup, Pithart predicts big disputes about it, in particular about what the people will be asked. He said talks will continue until a decision is made whether or not to hold a referendum. "We are continuing elaborating a blueprint for the separation of the two republics... We shall also conduct a number of talks with the Slovak side, and at the same time, without wanting to say we wish the country divided, we are preparing for a situation if this happened either as a result of a referendum or for some other insurmountable obstacles", Pithart says in ZEMEDELSKE NOVINY.

Of the Gabcikovo project, Pithart warns it "threatens not only the interests of Slovakia".

He predicts that in the autumn the Czech economy will get into great trouble and social tension is likely to increase. In autumn and winter it will be seen whether the right overall macro-economic strategy "should not be corrected by what we call industrial policy, i.e. a policy which takes into account the individual enterprises". He adds that "the autumn debates of budgetary rules will be an hour of truth showing to what extent Slovakia is willing to resist the temptation to adjust the reform to its own criteria of values and priorities."

'Alleged Plans' To Dismiss Pithart Reported

AU1308194391

[Editorial Report] Prague MLADA FRONTA DNES in Czech on 10 August on page 2 carries a 350-word "jl"-signed report on a Civic Democratic Alliance [ODA] briefing in Prague on 9 July. Prague CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY in

Czech on 12 August on pages 1 and 2 carries an 800-word Petr Novacek commentary entitled "Party Haggling." Both items concern alleged plans to dismiss Czech Prime Minister Petr Pithart.

The Prague MLADA FRONTA DNES report on the ODA briefing contains the following passage: "Commenting on the proposal to dismiss [Czech] Minister [of Agriculture and ODA member Bohumil] Kubat, which [Czech] Prime Minister P. Pithart had submitted to the Czech National Council Presidium, ODA Chairman Pavel Bratinka said that it is still impossible to estimate what the correlation of forces will be when the vote on this proposal is taken. 'I do not think that Minister Kubat will be the only issue that will be raised. Question marks are also hanging over the post of Prime Minister Pithart, with whose work many people are dissatisfied,' Pavel Bratinka said."

In the CESKE A MORAVSKOSLEZSKE ZEMEDELSKE NOVINY commentary, Petr Novacek observes that "it is possible that Prime Minister Pithart's proposal to dismiss Minister Kubat from his post will be discussed as early as 22 August, at the first post-vacation meeting of the Czech National Council Presidium. We have learned from usually well-informed sources that a plan exists that might be summed up as follows: If Kubat must go, let Pithart go too. Apparently, this whole operation has already been discussed by at least two Czech National Council deputy chairmen and, obviously, it is a realistic alternative."

According to Novacek, "the names of the most likely candidates for the prime minister's seat are already being aired in the lobbies. The probable candidate for the Civic Democratic Party [ODS] would be J. Strasky, for the ODA V. Dlouhy, and for the Czechoslovak People's Party [CSL] A. Baudys. The dismissal of both Kubat and Prime Minister Pithart requires the votes of 13 out of the 25 members of the Czech National Council Presidium. In view of the correlation of forces, the ODS and the CSL will decide in whose favor the scales will tilt in such an operation." In the commentator's view, the situation "is well-suited for behind-the-scenes deals," especially if one considers that the ODS would like to merge with the ODA.

Novacek concludes his commentary by warning against the "destabilization" that would be triggered by Pithart's ouster. He says: "At present it is impossible to estimate how all the plotting will end. One thing is certain, however. If some people are planning an attack on the Czech prime minister, they make it unashamedly clear that party pre-election interests mean more to them than the universal need for stability in domestic political life. As is known, an attempt to guarantee this stability was made at the beginning of the year, during the dangerous period of the Civic Forum split, by the so-called Lany agreements that were initiated by Vaclav Havel, who is also their guarantor. Forced reshuffles at the head of the

Czech government would be a crude breach of those agreements and they would set off a general domestic political destabilization."

People's Party, VPN Leader Discuss Slovakia

LD1308091391 Prague Federal 1 Television Network
in Slovak 2016 GMT 12 Aug 91

[Interview with Jozef Prokop, chairman of the Slovak People's Party and Ernest Valko, member of the Public Against Violence, VPN, Slovak Council, with unidentified announcer in Bratislava—live]

[Excerpts] [Announcer] I will start with you, Mr. Prokop: Good evening. Your party did not participate in the last legislative elections because it was registered only on 5 April [elections were held in June 1990]. Your functioning is based on three principles—national, Christian, and social ones. What is your view of the future constitutional set up?

[Prokop] I see the constitutional set up as a proclamation of a Slovak state.

[Announcer] What springs to mind in connection with your party is the former Slovak People's Party Chairman Andrej Hlinka. What is your party's attitude toward his (?example)?

[Prokop] Andrej Hlinka is the ideological leader of our party. He died on 16 August 1938. [passage omitted]

[Announcer] Do you see yourself as a right-wing, left-wing, or a centrist party?

[Prokop] We see ourselves as a right-wing party with certain left-wing elements.

[Announcer] That's the social element. [Turning to Valko] Your position is clear, for the VPN stands for a federation. What kind of federation?

[Valko] You see, VPN came into being as a partner to the newly rising Civic Movement. We, naturally, wish to transfer this relationship also to the constitutional set up. Already in our first statements in March 1990, we proceeded from the initial (?cooperation) between the republics. We wish to build our relations within the federation, above all, on two principles: on the principle of equality and on the principle of party. We put forward this kind of relationship also at the latest well-known talks in Kromeriz where this issue was dealt with. This is why we stress that, in our view, a drafting of a treaty [Zmluva] between the Czech Republic and the Slovak Republic as two bearers of legal sovereignty should take place now. This treaty should then form a basis for the drafting of the federal constitution and the constitution of the Slovak and Czech republics.

[Announcer] Mr. Prokop, how do you feel about this principle; do you agree or not?

[Prokop] If the state treaty is observed, then it will definitely be a step forward. [passage omitted]

[Announcer] Mr. Prokop, what is your party's view of the present coalition?

[Prokop] The present coalition could improve cooperation.

[Announcer] With whom, with you?

[Prokop] No, among themselves. [passage omitted]

[Announcer] Do you have your own economic policy?

[Prokop] We are certainly compiling our own economic policy, and in doing so, we are drawing from the economy on the Slovak state, for this was an economic miracle. The fact is that this state existed during the war and that it achieved great results. [passage omitted]

Timetable for Slovak Privatization Outlined

AU1308191091

[Editorial Report] Bratislava PRAVDA and Bratislava VEREJNOST in Slovak on 9 August both publish correspondents' reports on a news conference with Jozef Rizman and Marian Jusko, Slovak deputy ministers for the administration and privatization of national property, held in Bratislava on 8 August. The news conference was devoted to the "concept of large-scale privatization" in Slovakia.

Bratislava PRAVDA in Slovak on 9 August on page 1 carries a 400-word "tr"-signed report entitled "When Ministries Do Not Adhere to Principles." According to the PRAVDA report, the "majority" of Slovakia's 1,833 state enterprises will be privatized in the "first" and "second" privatization waves in 1992. The lists of enterprises earmarked for privatization were to be drawn up by individual ministries by 11 July. This deadline was not met, however, because most ministries "did not adhere to the principle" that the lists should include recommendations for the share of property to be privatized by means of the so-called coupon method. The new deadlines for submitting lists of enterprises earmarked for privatization to the Slovak Government are 31 August 1991 (for enterprises to be privatized within the "first wave") and 30 April 1992 (for enterprises to be privatized within the "second wave"). The Bratislava PRAVDA correspondent notes that the Slovak Government trails behind the Czech Government in this regard, because the Czech Government approved the list of enterprises to be privatized several weeks ago.

Bratislava VEREJNOST in Slovak on 9 August on pages 1 and 2 carries a 500-word Milan Maloch report on the news conference at the Slovak Ministry for the Administration and Privatization of National Property. The report specifies that the "first privatization wave" will comprise "more than 600" Slovak enterprises and the "second privatization wave" about 550 enterprises. As to the methods of privatization, both "standard" (public

auctions, direct sale) and "nonstandard" (sale of shares for investment coupons) methods will be used, according to the VEREJNOST report, and a combination of the two.

Decline in Real Earnings Reported From Jan-May

*AU1308184791 Prague RUDE PRAVO in Czech
7 Aug 91 p 10*

["vc"-signed report: "Aggregate Personal Income in the January-May Period"]

[Text] Aggregate personal income in the January to May 1991 period amounted to 225.7 billion korunas, 26.3 billion korunas more than in the same period last year (index 113.2). Of this sum, earnings from wages represented 124 billion korunas, income from agricultural cooperatives and

from the sale of agricultural products 10.6 billion, transfer payments 48.7 billion, and other incomes 42.4 billion. The growth in the category of "other incomes" was accounted for mainly by the state allowance compensating for the abolition of food subsidies (10.4 billion korunas) and by the increase in private credits extended by state savings banks (6.5 billion korunas).

Real personal income for the January-May 1991 period was 27.3 percent lower than in the same period last year.

Personal expenditures grew faster than personal incomes. In the first five months of the year, they were 28.2 billion korunas higher than in the same period a year ago (index 114.6). Retail trade turnover, however, fell 1.8 billion korunas short of last year's level (index 98.5).

Budget Shows Continued Growth of Deficit

*AU1408094091 Budapest MTI in English 1436 GMT
12 Aug 91*

[Text] Budapest, 12 August (MTI)—The Hungarian state budget shows a 61.1 billion forint deficit for the first seven months of 1991.

The deficit showed a 9.8 billion forint growth in July. (In the previous month, the deficit increased by 15 billion forints.)

Incomes in the first seven months totalled 412.4 billion forints, with expenditure amounting to 473.5 billion forints, said a communique forwarded to MTI by the Hungarian Ministry of Finance on Monday.

The budget deficit has mostly been covered by a 45 billion forint credit granted by the issuing bank on the basis of parliament's approval. The role of the money market, however, is becoming more and more significant in financing the state budget deficit. New resources for this can be created by issuing securities. In the first seven months of 1991, the total value of treasury bonds in circulation grew by 11.6 billion forints, reaching 21.8 billion forints by the end of July.

Bank Official Reports on Balance of Payments

*LD1308163591 Budapest MTI in English 1321 GMT
13 Aug 91*

[Text] Budapest, August 13 (MTI)—'The current balance of payments figures have improved in June, thus the deficit for the first six months was only 100 million dollars,' said Frigyes Harshegyi, vice-president of the National Bank of Hungary (NBH), in an interview with MTI.

He said that in May, the current balance of payments had shown a deficit of 130 million dollars, after collating the figures for the first five months. In June, the balance improved by 30 million dollars. All this indicates that the financial processes have developed favourably.

According to figures from the National Bank, the foreign trade balance deficit after the first six months of the year was 130 million dollars, as compared to 150 million dollars after the first five months. Surplus revenues from tourism, and invisible revenues cover interest expenditures related to foreign debt servicing. As the current balance of payments, deficit is minimal compared to the 1 billion dollar deficit planned for the period, this means the country will not become more indebted. Central bank reserves are increasing each month. In the first five months of the year, foreign currency reserves were around 1.4-1.5 billion dollars, and totalled 1.7 billion dollars at the end of June and early July, and will be almost 2 billion dollars by August.

Harshegyi said that the improvement that has come about in the current balance of payments in June continued in July, and a similar tendency is also perceptible for August.

Unemployment May Reach 300,000 By End of 1991

*AU1308171391 Budapest NEPSZABADSAG
in Hungarian 10 Aug 91 p 1*

[Szilvia Hamor report: "Some 300,000 People Could Be Unemployed by the End of 1991"]

[Text] According to Gyorgy Schamschula, political state secretary in charge of labor affairs, the number of registered unemployed increased by 32,000 in July, to a total of 218,000 people.

There is a 10.4 percent unemployment rate in Szabolcs county. The unemployment figure is close to 10 percent in Nograd county, more than eight percent in Bekes county, and more than seven percent in Szolnok and Borsod counties. The national average stands at 4.6 percent. According to forecasts, this national average will increase to 6 to 8 percent by the end of 1991; in other words, the number of unemployed people could reach 300,000. Therefore, we will need at least 22.5 billion forints to cover the cost of unemployment benefits. For the time being, an amount of 19 billion forints seems to be guaranteed by the budget and the expected contributions. According to the Labor Ministry officials, it will be necessary to modify the employment law as early as this year, and this would limit the "liberalism" of the recently adopted law on several points. Although there is not yet a precise amendment plan, the idea is to reduce either the duration of contributions or its upper ceiling (which at present is the equivalent of three times the minimum wage), and to increase the amount paid by employees and employers into the solidarity fund. If the current benefits remain, this amount will have to be increased to at least 6 percent next year, in view of an expected unemployment rate of 9 to 11 percent.

Jeszenszky Reports on Recent Talks in Ukraine

*AU1308165091 Budapest NEPSZABADSAG
in Hungarian 12 Aug 91 p 3*

[Interview with Foreign Minister Geza Jeszenszky by Peter Dunai; place and date not given: "Carpathians-Tisza Area Cooperation"]

[Text] [Dunai] While analyzing the situation in this region, have you discussed the situation in Yugoslavia?

[Jeszenszky] If the Ukrainian leadership had considered Yugoslavia a negative or positive example for them, they would have brought up this subject. I brought it up; however, we did not elaborate due to a lack of time. Besides, I do not know the extent to which the Ukrainians are concerned about the Yugoslav issue, but I think that Moscow is more concerned.... Speaking about the

regional issues, they said they would accept the Hexagonale. Together with them, we are interested in such a cooperation, including the spreading of this cooperation toward the northeast.

[Dunai] Does this mean that the Ukraine could once become a member of the Hexagonale?

[Jeszenszky] This is possible, given the fact that we are talking about an open organization. However, this time, we concentrated mostly on border area cooperation and on participation in specific programs. We discussed the Carpathians-Tisza area of cooperation, which is still in the initial phase but is worth mentioning, an area of cooperation that would include the Ukraine, Hungary, Eastern Slovakia, and Southern Poland.

[Dunai] The Ukraine cannot yet be regarded as a fully sovereign state because its border police and customs are not in Kiev's jurisdiction.

[Jeszenszky] It is not Hungary that should determine the extent of the Ukraine's independence. Besides, the new federal agreement speaks of sovereign republics.

[Dunai] Did the Ukrainians say when they intend to sign this agreement with Moscow?

[Jeszenszky] This issue was brought up during my talks with the chairman of the Foreign Affairs Committee in the Supreme Soviet and with other heads of legislative committees, but not during our negotiations. The various committee heads expressed slightly different views and this shows that there is political pluralism in their legislature.

[Dunai] How did Moscow react to your visit in the Ukraine?

[Jeszenszky] In accordance with their declaration of sovereignty, the Ukrainian leaders did not worry about Moscow's reaction. I think the Soviet Union supports my efforts. The fact that Ambassador Aboimov saw me off when I left Budapest and joined my program in Ungvar proves all this. I consider it important to note that integration and decentralization complement each other. The building of relations with the individual republics does not necessarily take place to the detriment of the center, Moscow, or the Russian Federation.

[Dunai] This time, only foreign affairs experts accompanied you on this trip. Why were there no economic experts?

[Jeszenszky] We discussed this possibility, but Hungarian industry and agricultural ministers visited the Ukraine recently, and they already told their counterparts about our concepts regarding economic cooperation. This time, the Ukrainians partly provided answers by concretely pointing out what they are able to export to us and what they need. We should only find a financial

solution and an accounting method. It should be something valid for the transitional period, a solution that saves hard currency. Neither side is prepared to pay cash in U.S. dollars for the goods immediately upon arrival, particularly not the Ukrainians. We could trade goods on a barter basis or a clearing agreement, but settling the accounts in our national currencies would be even better, naturally, under adequate exchange rates and with possible convertibility in the future. Until then, we must continue to look for a solution.

[Dunai] Many problems have emerged in Hungarian-Soviet relations, primarily the unsettled financial issue in connection with the withdrawal of Soviet troops. Do you intend to visit Moscow in the near future to solve these problems?

[Jeszenszky] My previous visit was a working one. Foreign Minister Bessmertnykh said that he would like us to know each other better. I have a valid invitation to Moscow, but we would rather have Mr. Bessmertnykh visit Budapest first. I am sure that a meeting of leaders will be necessary, but I hope that controversial issues can be solved quickly. The Hungarian Government offers a very honest and acceptable solution.

[Dunai] Do you mean the zero balance option?

[Jeszenszky] Yes.

Interest in Former GDR Army Weapons Reported

LD1308163891 Budapest MTI in English 1348 GMT
13 Aug 91

[Text] Budapest, August 13 (MTI)—The Hungarian Ministry of Defence learned on Tuesday, through military attache channels, that the German government has not passed any sort of decision with respect to the export of military equipment.

Earlier, a German newspaper reported that the Bonn government had, temporarily, suspended the sales of all east German weapons to Hungary and Poland.

The Hungarian Ministry of Defence considers it necessary to clearly state that Hungary did not receive in 1990-91 any sort of weapons or battle equipment either from Germany, or from the stocks of the army of the former GDR, and thus could not have handed these over.

It was, however, reconfirmed that Hungary continues to be interested in several kinds of weapons and technical equipment of the dissolved East German Army. This is justified by the fact that, in the interest of creating a smaller, but more modern army—a goal supported by the public—the existing, but outdated equipment will, according to plans, be replaced in a way that adapts to current weapons systems. Naturally, the Hungarian Army will take into consideration the stipulations of the Paris agreements when putting together its purchase plans.

Pope John Paul II Arrives in Krakow 13 Aug

LD1308091791 Warsaw PAP in English 0829 GMT
13 Aug 91

[Text] Krakow, Aug. 13—President Lech Walesa and Mrs. Walesa, Prime Minister Jan Bielecki, Poland's Primate Cardinal Jozef Glemp and Krakow's Archbishop Franciszek Macharski were among officials who welcomed Pope John Paul II at the Krakow Balice Airport Tuesday forenoon.

Shortly before 10:00 an "Alitalia" plane with the Pope aboard landed at the Krakow Airport crowded with the faithful who arrived there to greet John Paul II.

Papal Visit Events Detailed

AU1308131491 Rome ANSA in English 1206 GMT
13 Aug 91

[Text] (ANSA) Krakow, August 13—Pope John Paul II arrived here this morning for an 8-day journey which will take him to his fifth visit to his native Poland and the first-ever visit by a pope to Hungary.

The pope took off aboard an Alitalia VIP flight from Rome's Fiumicino Airport after helicoptering down from the papal summer residence at Castelgandolfo just south of Rome.

The centerpiece to the journey, the present globe-trotting pope's 52nd since he was elected in 1979, will be a two-day rally with young people at the shrine of Jasna Gora, the Black Virgin, near Czestochowa on August 14-15.

The pope is expected to find a crowd of over a million on hand for world youth day, which falls on August 15. The multitude will include tens of thousands from the Soviet Union, including members of the communist party youth organization, Komsomol.

Estimates at the Vatican, where the pope met the Soviet Union's special ambassador there, Yuri Karlov, for talks on an undisclosed agenda yesterday, said as many as 50,000 young people, whether Catholics or non-believers, may arrive at the mass from Ukraine, the Russian Federation, and Byelorussia.

The pope's speeches in at least eight languages, including Russian, are expected to welcome the collapse of the former regimes in Central and Eastern Europe, but are also expected to underscore the dangers of "practical materialism" and consumerism in capitalist society.

In practical terms, West European delegations to the youth gathering are arriving with small gestures of aid for their Central European brethren.

The 25,000 French Catholic youth are expected to bring a second portion of each meal in their knapsacks to share during the rally. The over 30,000 young Italians attending with over 1,000 priests are bringing a minimum offering of 10,000 lire (about 7.6 dollars) each to help build a new church at the Auschwitz concentration camp.

Strong delegations are also expected from the Iberian Peninsula and Germany, with numerous Americans, Asians and Africans also expected to arrive. At the 1989 world youth day in Santiago di Compostella, Spain, an estimated 500,000 were on hand.

Polish President Lech Walesa's office announced yesterday that Walesa too will be on hand for the August 15 papal mass.

The pope's other major appointments during his four days in Poland include the consecration of a new church of St. Peter in his home-town of Wadowice and a meeting with participants in the international theological congress being held at Lublin.

The Catholic leader will transfer to Budapest on Friday. In Hungary, he will visit the new tomb of Cardinal Mindszenty in Esztergom and will lead a procession in Budapest on his last day, August 20. He will visit four other places in Hungary: Pecs, Mariapocs, Debrecen, where ethnic Hungarians from the Romanian region of Transylvania are expected among the crowds, and Szombately.

A vast majority of poles are claimed as Catholic and, in Hungary, the Vatican claims the population of 10 million is 61 percent Catholic.

Hungary's Calvinists and Jews can also boast historically and numerically important communities whose roots delve deep into Hungarian history.

But Vatican sources also admit that, despite Catholicism's thousand-year-old history in the country, there is a crisis of vocations for young Hungarians seeking to enter the priesthood, a rising number of abortions (due to official Catholic disapproval always a key indicator for the efficacy of the Catholic presence), and increasingly small congregations in the churches.

Sources in the papal entourage pointed out that the pope has chosen to end the Hungarian leg of his journey on the Hungarian national day of King Istvan (997-1038), or Stephen in English, who was later canonised and whose father, King Geza, invited the Holy Roman Emperor Otto II to send missionaries to Hungary in 973 to Christianise the country.

The sources said the papal celebrations for St. Istvan will be designed to stress the coincidence of the king's decision to join Catholicism's western, Latin Christianity rather than the eastern, Orthodox confession with his reimposition of central government on the Hungarian tribes.

Government Creates Fiscal Control Service

AU1308140091 Warsaw ZYCIE WARSZAWY in Polish
7 Aug 91 p 1

[Agnieszka Romaszewska-Guzy report: "The Government Withdraws Customs Duty On Books"]

[Excerpts] At its meeting on 6 August, the Council of Ministers decided to cancel the 10 percent customs duty

on books. It also decided to introduce an embargo on arms exports to Yugoslavia, and to change the rules concerning the deportation of foreigners. [passage omitted]

The Council of Ministers approved the concept of a Fiscal Control, which will be placed before the Sejm. This institution will have wide-ranging powers of control. It is supposed to combat the "old and new types of economic crime," as Government Spokesman Andrzej Zarebski described it.

The main tasks of the Fiscal Control will be to check the correctness of taxpayers' bills, see that budget resources are spent wisely, see that subsidies out of the state budget are used efficiently, and supervise the foreign currency market.

The finance minister is to be in overall charge of the Fiscal Control. On his recommendation, the prime minister will appoint a general inspector, who will be directly in charge.

The Fiscal Control is to be a completely independent institution. It will also investigate the work of tax offices.

New Owners of 'Art-B' Explain Position

*LD1308175991 Warsaw PAP in English 1618 GMT
13 Aug 91*

[Text] Katowice, Warsaw, Aug. 13—"We acquired the shares in "Art-B" in exchange for a cancellation of its indebtedness to us," said Franciszek Sobczak, president of the board of the Katowice-based bank Handlowo-Kredytowy, in an interview with PAP on Tuesday.

Sobczak admitted that he did not know the full extent of the company's liabilities, not only towards his bank, but also towards other potential creditors. "This is because the information is contained in documents seized from our Wroclaw branch by the Office for State Protection," he said.

He said that the bank had been aware for some time of liquidity problems at "Art-B," and that the company itself had requested debt rescheduling. "We would say that we had to take over the company's shares," he said, adding that the move would not damage the bank, nor affect its own liquidity.

Sobczak said that the move to acquire "Art-B" protected the bank's interests, by giving it control over the company's assets in the event that losses are uncovered. He said that the bank had no information on the offences alleged to have been committed by the former owners of "Art-B."

Asked about the agreement reached with Poznan businessman Aleksander Gawronik, Sobczak said that Gawronik had guaranteed to resolve the complicated problems at the firm. All the official documentation relating to his appointment as administrator had been completed, he said.

"I cannot comment on the size of Gawronik's remuneration, but it will be large, said Sobczak. "We didn't have time to talk about that. Time was running out fast."

In Warsaw on Tuesday, Grazyna Taladaj, spokesman for the provincial Prosecutors Office, declined to say whether two former vice presidents of "Art-B," Andrzej Gasiorowski and Jerzy Pagiolo, were under suspicion in the "banking affair."

Ms Taladaj also refused to comment on the possibility of a request to Israel for the extradition of former president Boguslaw Bagsik, on a charge of bribing a state official. So far, seven people have been placed under temporary arrest. The same application has been made in the case of Bagsik, but it has not yet been executed, she said.

UOP Rejects Soviet Recruitment Charges

*LD1308195291 Warsaw PAP in English 1906 GMT
13 Aug 91*

[Text] Warsaw, Aug. 13—The State Protection Office (UOP) Tuesday rejected accusations by the Soviet Army daily KRASNAYA ZVEZDA that charged Polish security services with attempts to recruit Soviet soldiers, mentioning officer Yuriy Tkachenko as an example.

The UOP said that KRASNAYA ZVEZDA gave a number of examples about which no UOP staffer heard, with one exception. On April 21, 1991, the Szczecin police detained a Russian speaking man at the bazaar and was told that he was offering weapons and Soviet documents.

When he was taken to the local UOP branch, the detainee turned out to have neither weapons nor documents. As he pretended to be Soviet Army officer Yuriy Tkachenko, the Soviet General consulate in Szczecin was immediately notified. An official came from there after some time and next he left accompanied by Tkachenko, the UOP said.

According to a Senior Polish Army reserve officer, who asked not to be identified, the actions by the Soviet officer could be an attempted provocation by the Soviet military intelligence service. The Polish officer thinks its failure caused KRASNAYA ZVEZDA to try to lay charges against the UOP.

Politicians Discuss Planned 'Political Council'

*AU1308180491 Warsaw RZECZPOSPOLITA in Polish
8 Aug 91 pp 1, 2*

[Kazimierz Groblewski report: "The Political Council—Should It Be Formed?"]

[Excerpts] At his news conference on 30 July, Lech Walesa mentioned the possibility of establishing a body similar to the Front for National Accord and said that he would commence steps that would make him president of all the Poles.

The next day, Presidential Spokesman Andrzej Drzycimski said that Lech Walesa thought that something in the nature of a Political Council was required. A decision on whether or not to form this council and on the exact name for it was supposed to be made after a series of meetings with leaders of political groups and other politicians. Drzycimski said that the Council could have a positive effect on the election campaign, but made it clear that the concept behind it had still not been worked out, and that it was not certain whether the president was still interested in it.

The president first mentioned the Political Council in December 1990. In January he discussed the idea with representatives of various political groups. The Press Office distributed a questionnaire to gauge support for this Council. Over 120 organizations responded. The Council was supposed to consist of representatives of all political groups, with a secretariat consisting of between five and seven representatives of the biggest ones. Toward the end of February, Lech Walesa suspended work on creating the Council when he submitted his draft election code to the Sejm. The draft code foresaw a 26 May election date.

Andrzej Stelmachowski, Senate speaker: "A premature formation of this council might have been beneficial. The idea itself is a good one, but I think one should wait until the elections are over and the situation becomes clear. Right now we do not even know what the country's leading forces are. Should the council be contained in the constitution? First it is necessary to establish the powers of the presidential office, president, government, and parliament."

Mikolaj Kozakiewicz, Sejm speaker: "I will refrain from commenting until I have learned more details. It is not quite clear to me what the president is suggesting, but in any case the formation of various advisory bodies is not contrary to the constitution." [passage omitted]

Andrzej Anusz, secretary of the Center Accord: "The Center Accord believes the president should head a pro-reformist bloc that will win the elections. Lech Walesa is president of all the Poles, but that does not mean that he agrees with every single political group. The Center Accord did support the idea of a Political Council, but with the elections only three months away, it is too late to set up this Council now. It would not have enough time to work out joint programs. Therefore, setting up this Council is now improbable."

Citizens' Parliamentary Club Chairman Interviewed

PM1308090491 Lodz: GLOS PORANNY in Polish
29 Jul 91 pp 1, 6

[Interview with Mieczyslaw Gil, Citizens' Parliamentary Club (OKP) chairman, by correspondent Henryk Sroczyński; place and date not given]

[Text] [Sroczyński] Your proposal to create a broad-based, Solidarity-founded election coalition was received with some surprise. What were your reasons for putting forward this proposal?

[Gil] Solidarity—or, rather, its political suprastructure—is broken by now. That fine word, which indicated not only the name of the trade union, and the philosophy behind it, but also the whole process whereby changes were being implemented and the state governed, has somehow lost its impact along the way. Therefore, my initiative constitutes an attempt to bring to mind our shared origins and to reach toward that source again. The situation in the country makes this necessary.

[Sroczyński] This is true. Politicians engage in quarrels and disputes at the top while poverty reigns at the bottom.

[Gil] This is precisely why my initiative is aimed at talking together rather than quarreling. The Polish economy and Polish economic sovereignty are threatened. This is largely due to the country's one-sided economic ties and the collapse of trade links with the Soviet Union. There are also many other unfavorable phenomena, such as the economic decline of state enterprises and the desperate situation of the Polish farming sector. All these have generated a wave of criticism, and in certain regions of the country the situation is becoming almost explosive. At the moment, several such explosive points exist at Ursus [tractor factory], Nowa Huta, and Lodz. There is a distinct lack of patience and tolerance along this most difficult road that we are taking. In addition, the situation demands that everyone assume responsibility for it. We must talk not only about the parliamentary election but also about what the future Poland should be like.

[Sroczyński] But it looks as if genuine issues were being superseded by personal contests. People interpret them simply as wrangles over positions of power and influence.

[Gil] We do not want society to see the election campaign in this light, and this is why we are making attempts to reach an understanding at the top level about how the campaign should be conducted and what it must on no account develop into. We must attend to higher interests—those of the state.

[Sroczyński] Whom do you see in your "Gil coalition," if I may coin the phrase?

[Gil] Today it is still difficult to predict whether it will be a coalition, an alliance, or a compact. The immediate future will determine this. For the time being, we only know that the implementation of this idea involves forces active in the OKP, except for the liberals. They already decided that they would vote independently. Nevertheless, there is a possibility that we will define the principles of the election campaign as such. The chief purpose of working out these principles should be to avoid a round of a mutual war of attrition. To go back to

the question of our coalition, I can say that I see within it the Center Alliance group, the trade union Solidarity movement, the Christian democratic parties, and almost certainly the populists. Other potential partners are Citizens Committees and the National Citizens' Committee. These groups are concerned not only with the parliamentary election itself, but also with all problems connected with the country's future.

[Sroczynski] How do you see your idea of an election coalition assuming practical shape?

[Gil] I hope that new and further ideas will be generated by our partners, for example within the citizens' committees themselves. I should not like my concept to be interpreted as an intention to create a certain political formation. The idea was rather to group people together into a "confederation" of individuals who think along similar lines.

[Sroczynski] As I understand it, we can assume that your concept is considerably broader than that proposed by Messrs. Jan Olszewski and Zdzislaw Najder, can we not?

[Gil] Yes! But they, too, are both taking part in our conferences.

[Sroczynski] Will it be a presidential bloc?

[Gil] Yes, you could describe it as such. This is because we are all united in our position on the office of president and its incumbent, and also on his political activity. We intend to support his political ideas and his strategy—in other words, we support his views on Polish issues.

[Sroczynski] What will your reaction be to the Democratic Union and its leader, Tadeusz Mazowiecki?

[Gil] We have not defined our attitude to the Democratic Union, but I believe that this will be developed in the future. That party contains many politicians who were once very close to Lech Walesa. This suggests an even greater need for a well-balanced stand on the matter.

Call for Defining Policy on Minorities

LD1308180191 Warsaw PAP in English 1543 GMT
13 Aug 91

[Text] Warsaw, Aug. 13—The electoral bloc of minorities—a coalition affiliating representative organizations of the Czech, Lithuanian, Slovak and Ukrainian communities in Poland—announced its declaration which recognizes the UN universal declaration of human rights and the 1990 Copenhagen CSCE document as the foundations for all decisions and solutions to the nationality question.

It comes out also for shaping civic society in Poland, of which national, ethnical and denominational minorities should be an integral part.

The bloc thinks that one of the most urgent tasks is to define a concrete state policy on nationality questions.

"National organizations, affiliated in the electoral bloc of minorities, invariably adhere to the principle that they should have guaranteed seats in parliament because they are small in numbers, scattered and stand small chances to elect their own parliamentary representation," stresses the document.

The bloc of minorities comes out for the best possible development of state relations between Poland and emancipating neighbouring countries. It attaches also great importance to establishing economic contacts between Poland and her neighbouring countries, stressing particular importance of opening the eastern market.

Balcerowicz News Conference Reported

AU1208121591 Warsaw RZECZPOSPOLITA and
Economy and Law Supplement in Polish 6 Aug 91
pp 1, 1

["K.B."-signed report: "Painful Changes Lie Ahead of Us"]

[Text] At a news conference held at the Office of the Council of Ministers on 5 August, Deputy Prime Minister Leszek Balcerowicz announced the continuation of an anti-inflationary economic policy and that he would not be seeking election to the Sejm or a place in the future government. The deputy prime minister announced that Poland has an opportunity to develop, but that there is no guarantee it will. The immediate threats that L. Balcerowicz drew attention to include the danger of a destructive election campaign and the fact that the basic conditions that must come into being include necessary painful changes in the economy. On two occasions, the deputy prime minister declined to answer questions on the planned scope of changes in the budget for the current year. That will be dealt with at the meeting of the Council of Ministers on 6 August.

L. Balcerowicz set out the situation in which the Polish economy currently finds itself. He said that we are dealing with a combination of three factors. First, the effects of external factors that Poland has encountered on the path to reform. This concerns the effects of disruptive developments that occurred last year—higher oil prices, the collapse of the GDR market, and what we are currently experiencing, as well as what could not have been foreseen a few months ago—the almost complete collapse of trade with the East and a very marked decline in trade with other countries that formerly belonged to CEMA. In addition, exchange rates on the international money markets changed in a way that could not have been foreseen. On top of that—this is a growing problem—Poland has become the West for newcomers from the East, and this is connected with the uncontrolled movement of goods and people. We are applying countermeasures, but the effects are rather limited.

"If such conditions existed just a few years ago," said L. Balcerowicz, "our economy would have collapsed. We

can say that we are experiencing difficulties today, but this has to be viewed from the angle of the shock that the economy has experienced. Output has fallen by 9 percent in Poland, and the effects of the collapse of the eastern market can be estimated at between 3 and 7 percent.

A more balanced view should be taken of the economy in the light of these factors—external obstacles, a very tense political atmosphere, the natural difficulties that an economy experiences when it is going through a process of very radical change—said the deputy minister, but instead the picture that is painted is uniformly black.

The deputy prime minister drew attention to positive economic developments. He placed the curbing of inflation first and foremost among them. There is a possibility that inflation will fall by a significant degree in the second half of the year and that it will not exceed double figures. For this to happen, a strict budgetary policy must be continued. The decline in output is a negative phenomenon, but something worth noting is the increase in output—one of more than 20 percent—in private enterprises and an even greater increase in construction sector output. Unregistered economic activity is a further growing area, one that is of course negative from the fiscal angle, but pleasing from the economic angle. So, in a certain sense, the Polish economy is copying the example of the Italian economy—there are dynamic areas, although discipline still has to be introduced into them. Areas in which the socialist economy was particularly underdeveloped, for example, retail trade, are expanding.

Other positive phenomena that the deputy prime minister mentioned include the high share of machinery and equipment in investment (although investment is still limited), the increase in the number of new economic units and the number of persons employed in them, the reversal (since June) of the negative trade balance; while exports to the East have remained at a minimum level, the country's convertible currency reserves have grown.

Outlining the future development of the economic situation, L. Balcerowicz said that it would be possible to halt the recession. Output does not have to decline further in relation to June, and we might even note a certain increase. It would be possible to attain a greater degree of price stability than in the first half of the year. The main condition for fulfilling these hopes is that we can avoid a long, destructive election campaign—a campaign that would have a destabilizing effect on enterprise expectations and would cause everyone to increase pressure on the government and to reduce their share in efforts to introduce reforms.

There is an opportunity for Poland to develop, but, and Balcerowicz did not conceal the fact, there are very painful changes in the economy ahead of us. Some plants, which will not be in a position to prove themselves under new conditions, will have to cut back on their level of activity and even close. The conditions that have to be met to make that opportunity a realistic one are:

First, political stability. No country lacking an essential executive center has managed to attain rapid development;

Second, monetary stability is still essential;

Third, privatization will have to be pursued more rapidly than has been the case until now. The state apparatus will not be in a position to transform enterprises in order to later transfer them—in a healthy state—to private hands. The legal conditions for rapid privatization already exist, but a certain degree of political consolidation is also necessary. Privatization must be combined with stable prospects for what are currently state enterprises;

Fourth, the behavior and position of trade unions is also a condition for development. We will only be able to realize the opportunity of difficult development extending over many years if trade unions not only take note of pay issues, but also of employment issues and are interested in the creation of new work places, stimulating enterprise and attracting foreign capital;

Fifth, the chance to achieve development will also depend on what form and scope social welfare takes. If Poland is to be able to develop, assistance will have to be clearly directed to the groups that need help the most. It is a question of preventing the economy from being weighed down by a social welfare burden as it starts to develop.

These are the answers that Deputy Prime Minister L. Balcerowicz gave to journalists questions:

The sense in privatization through issuing vouchers

"I do not see it posing a danger. The fact that vouchers are issued free does not mean that this method of privatization is inefficient. The main sense of enterprise privatization is not that of changing the legal form, but of making the enterprise function better, that is to say, it should have a someone who can manage it better. That depends on who makes the decisions in an enterprise, on what criteria are used as a guideline, and on what opportunities there are for it to operate. The whole body of theoretical knowledge shows that when there is competition, the average private enterprise operates more efficiently than one that is not private."

Industrial policy instruments

"It would not be right to provide enterprise that are in financial difficulties with readily available credits. This would lead to a situation that we had just two years ago, when 30 percent of the taxes that were due were not collected, because of individual concessions. Such concessions discourage effort. Support is possible in another form, assistance from new institutions, such as the Polish Development Bank for example, that provide assistance

to those who are able to submit a financial recovery program for an enterprise. It is not envisaged that some of the debts of all enterprises could be canceled outright. However, all kinds of activities that are unconventional under our conditions are possible, for example, the application of composite agreement proceedings."

Political allies

"I hope that those involved in political life, especially those who believe that they can attain their goal, that is to say, come to power, will realize what they may bring about. I believe that both Prime Minister Bielecki and President Walesa understand the basic difficulties and challenges that the Polish economy faces. There is agreement among us on at least two issues—that printing money is not a means of solving institutional problems and that it will be possible to live better once the economic system has been transformed."

The Possibility of Stimulating Production

"Production can only be truly stimulated if foreign markets are penetrated. We are undertaking intensive activity in both the West and the East with various results. Talks and negotiations are in progress. Partial results have been obtained, for example, some pharmaceuticals are being sold for crude oil. I am counting on additional solutions during the visit to Moscow. Regarding our negotiations with the EEC, especially with respect to opening up markets for our agricultural products, we cannot say that we are pleased, but it is worth knowing that others are finding that it is precisely issues relating to agricultural produce that are blocking agreements with the EEC. We have gained access to the American market for our cotton products. However, the basic issue is the ability to compete on both domestic and foreign markets. That depends on changes in enterprises themselves."

Duty on books

"This really is a case where a mistake has crept in, and I hope that it will be possible to correct it."

The gradual abandonment of basic economic policy principles during the course of the year. The devaluation of the zloty, the relaxation of the tax on supernumerary wage awards, and higher tariffs being proof thereof

"There has been no departure from basic principles, but we are not blind to reality. If there are differences between the state of affairs that is forecast and the one that there actually is, there has to be a response. An example is the modification of the exchange rate mechanism in line with the significant changes that have occurred in exchange rates on the world market. There was a threat of serious consequences for our exports."

Can the same things be said about tariffs? Was it a success?

"A compromise."

Enterprise bankruptcy

"I do not think that there has to be a danger of mass bankruptcies in the near future. The losses incurred by enterprises are concentrated in certain areas such as transportation and energy. They were financed out of the budget. Following the increases in official prices, their situation should improve."

What remains to be done?

Deputy Prime Minister Leszek Balcerowicz said: "In my opinion, the most important issue is handing over matters in the best possible state for the next government. There is a lot to be done. It is a question of constructing a proper budget for 1992 and avoiding the mistakes that arose in creating this year's budget. A second very important issue is the preparation of a taxation system. This concerns the introduction of personal income tax, which is a genuinely great taxation reform. Such reforms are carried out only once every several dozen years. A third important issue is the organization of a proper fiscal police force. Finally, the most important issue for me is being able to hand over a country that is not gripped by monetary chaos and in which the possibilities have been created for much faster privatization."

Reportage on Foreign Minister's Visit to Paraguay

PY1208064691

For reportage on the visit by Foreign Minister Skubiszewski to Paraguay, including reports on his talks with Paraguayan President Andres Rodriguez, Foreign Minister Alexis Frutos Vaesken, please see the Paraguay section of the 8 August Latin America DAILY REPORT and subsequent issues.

Federal

Presidency Issues Statement After 13 Aug Session

*LD1308204791 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1931 GMT 13 Aug 91*

[Text] Belgrade, 13 Aug (TANJUG)—The SFRY Presidency has made a positively assessed implementation of the decision proclaiming an absolute cease-fire in Croatia. It has noted that the number of refugees is diminishing and that both sides gave their consent to the cease-fire. It asked the Federal Executive Council (FEC) to set up a mixed commission of experts to examine the situation in the villages of Dalj, Sarvas and Lovinac, according to the statement issued tonight, which says:

A session of the SFRY Presidency was held in Belgrade tonight. It was chaired by President Stipe Mesic. The SFRY Presidency discussed implementation of the decision proclaiming an absolute and unconditional cease-fire on the territory of the Republic of Croatia, adopted on 6 August this year. An agreement was reached on the preparation of a SFRY Presidency session to consider the question of the functioning of our system during the moratorium period and future relations in the Yugoslav community.

Apart from the members of the SFRY Presidency Commission for supervision of the cease-fire in the Republic of Croatia, the president of the SFRY Assembly, the president of the Federal Executive Council, the president of the Executive Council of the SFRY Assembly, the federal secretaries for foreign and internal affairs, the deputy federal secretary for national defense, and the deputy minister for internal affairs of the republic of Croatia took part in the work of the session.

The SFRY Presidency positively assessed the activities so far in implementing the decision on introduction of the absolute and unconditional cease-fire in Croatia. It was concluded that the decision was accepted favorably and with great hope for achieving peace. Since it was introduced, the cease-fire has mostly been observed. The number of refugees is being reduced, the first exchange of prisoners has been carried out, and new ones have been agreed upon. Both sides in the conflict in the Republic of Croatia agreed on the cease-fire and showed goodwill to observe it.

The SFRY Presidency supported the activities of the SFRY Presidency commission for supervision of the cease-fire in the Republic of Croatia and gave suggestions for overcoming the problem of the composition of the groups of observers for supervision of the cease-fire. In this respect, it authorized the commission to solve the disputed issues in talks with representatives of the government of the Republic of Croatia.

The SFRY Presidency requested that the Federal Executive Council form a mixed commission of experts to investigate the facts in connection with the events in the villages of Dalj, Sarvas, and Lovinac in Croatia, about which the public will be informed.

It was concluded that by the end of this week as part of the preparations for the expanded session of the SFRY Presidency at which the issues of future relations within the Yugoslav community will be considered, proposals regarding the organization, procedure, and who will implement the tasks and deadlines should be established. The issue of the function of the system within the moratorium period will be considered at the same session, which is planned for the next week.

Mesic Comments on Session

*LD1308232791 Zagreb Radio Croatian Network
in Serbo-Croatian 2200 GMT 13 Aug 91*

[Text] [Announcer] SFRY Presidency President Stipe Mesic, president of the Yugoslav Presidency, returned [to Zagreb] just after 2300 hours tonight from the Presidency session in Belgrade. At Zagreb airport our reporter Drago Herceg asked him to say briefly what had been discussed at that session.

[Mesic] There were two points at the session. One was the agreement on the formation of the commissions which will be on the ground. In fact they will be the bodies of the commission for truce ...

[Herceg interrupting] For the supervision.

[Mesic] Yes, for the supervision of the truce, for the implementation.

[Herceg] Is the composition of these bodies as desired by the Republic of Croatia?

[Mesic] Well the session was held for this very reason, because Croatia protested against the composition of this commission. Now the Federal Secretariat for Internal Affairs will repropose new members, because Croatia did not agree with the composition. What happened was that Slovenia had not sent its representatives and the federal secretariat had put in mostly Serbs and Montenegrins while the Presidency decision was that Bosnia-Herzegovina, Macedonia, and Slovenia should be in these bodies. But now, as there is no Slovenia, the number of members from these two republics has to be increased.

[Herceg] And what was the second point of the Presidency session?

[Mesic] The second point was the agreement on the meeting that has to take place between the presidents of the republics and Presidency members, on the organization and functioning of the system during the moratorium, and on the talks about our future.

[Herceg] Has this agreement been reached? When will this session take place?

[Mesic] It has been agreed that a routine session will be held on Friday, when we will agree on the operational aspect of the problem.

[Herceg] And you will not yet bring in Presidency presidents?

[Mesic] No, not this Friday. [passage indistinct]

[Herceg] Thank you very much.

[Mesic] Do not mention it.

Belgrade Daily Blames Markovic for 'Chaos'

LD1308103691 Belgrade TANJUG in English
0900 GMT 13 Aug 91

[Text] Belgrade, August 13 (TANJUG)—The Belgrade daily VECERNJE NOVOSTI writes today that Yugoslav Prime Minister Ante Markovic is responsible for the grave economic crisis and the chaos in Yugoslavia.

Noting that a cabinet cannot maintain the former image of the country if a war is being waged within it, the paper says that the people, who are paying and supporting a government which is not ruling and does not answer for what it is (not) doing, are not to blame for anything.

The paper points out that the prime minister no longer knows his mandator, that he is not backed by the party which brought him to power or any other political organization, or the parliament which has practically fallen apart.

VECERNJE NOVOSTI accuses Markovic of giving away 50 million dollars a month just by not claiming federal taxes and customs from the Yugoslav Republic of Slovenia which unilaterally passed acts on 'disassociation' from Yugoslavia on June 25.

The paper writes that Slovenia and Croatia daily usurp at least 60 million German marks from Yugoslavia's payment system, without any chance of the funds ever being returned.

The prime minister's actions are a time-bomb aimed against those who will remain the legal inheritors of Yugoslavia, VECERNJE NOVOSTI writes.

The paper adds that is not a coincidence that the Yugoslav Government has said nothing about the preparations of Slovenia, Croatia and Macedonia to print their own money.

Deputy Foreign Minister on Prague CSCE Meeting

LD1308192491 Belgrade TANJUG in English
1759 GMT 13 Aug 91

[Text] Belgrade, Aug 13 (TANJUG)—Yugoslav Deputy Foreign Minister Novak Pribicevic told journalists today that constructive documents had been adopted at the recent meeting of the CSCE (Conference on Security and Cooperation in Europe) crisis staff in Prague.

Pribicevic said this was partly the result of the (?Yugoslav) Presidency's decision adopted on August 7 on a ceasefire in the Republic of Croatia, but also of the intention of the CSCE countries to avoid confrontations and to reach decisions by consensus.

He said the Yugoslav delegation had actively participated in the conception of the three documents adopted which relate to the crisis in Yugoslavia.

Pribicevic denied reports that a decision had been reached for the number of European observers in Yugoslavia to be increased to five hundred.

A possibility has been anticipated of including non-E.C. observers in the monitor mission in Yugoslavia, but there was no mention of any figures, he stressed.

The employment of observers, some of whom are unarmed military personnel out of uniform, cannot be interpreted as a foreign military presence, Pribicevic said, stressing that any (?decision) to expand the observer mission could be reached by the CSCE countries only in concert with Yugoslavia.

He said there had been no mention of the principle of preserving external and internal borders in the documents because most delegation had maintained that it was not necessary to emphasize any principles already contained in the CSCE Charter.

There was, however, mention in the documents of the guaranteed rights of all national minorities, at which point we explained to the CSCE meeting's participants that peoples who did not live in the republics in Yugoslavia where they made up majority populations could not be treated as national minorities, Pribicevic said.

Action Promised Over Army Recruitment Violations

LD1308161491 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1441 GMT 13 Aug 91

[Text] Belgrade, 13 Aug (TANJUG)—Violations of the constitution and of other regulations and systemic solutions pertaining to the organization and functioning of the system of military service, and especially recruitment for and bringing the Yugoslav People's Army [YPA] up to full strength, have assumed extensive and extremely alarming dimensions. This is stressed in the letter which the Federal Secretariat of National Defense yesterday forwarded to the SFRY Presidency and the Federal Executive Council [FEC].

The "Information on the State and the Problems of Bringing the YPA up to Full Strength" goes on to say:

The result was that in July this year only 51.6 per cent of recruits were dispatched into Army units. Matters have gone so far that decisions about not sending them into

the YPA are being adopted by everyone, ranging from municipal and regional organs to republican governments, assemblies and presidencies.

Not only are the latest SFRY Presidency decisions not carried out; in some republics they are totally ignored.

The Republic of Croatia has passed a decision on the non-application of the law on military conscription and has stopped sending recruits into the YPA.

After passing a decision in July this year postponing the dispatch of conscripts into the YPA the Republic of Bosnia-Herzegovina decided to send its recruits only to the territories of Bosnia-Herzegovina and Macedonia.

A decision on non-application of the law on military service and non-dispatch of recruits outside the territory of its republic was also adopted by Macedonia.

Proceeding from the fact that these anti-constitutional and unilateral decisions and steps jeopardize the very existence of the YPA, the Federal Secretariat of National Defense, in line with federal legislation and SFRY decisions, will take the following steps:

1. By the end of August at the latest the military-territorial organs will take over military conscription over the entire SFRY territory, except in the Republic of Slovenia.
2. It will take all necessary measures, including criminal prosecution against the most responsible persons who sabotage and do not carry out the law on military conscription and the SFRY Presidency decision concerning military conscription and sending recruits into the YPA.
3. It will maintain the YPA combat-readiness at the appropriate level.

Army Responds to Attack on Vukovar

*AU1308211691 Belgrade Radio Belgrade Network
in Serbo-Croatian 2000 GMT 13 Aug 91*

[Text] Our reporter Mirko Stankovic has just sent us a report with some new elements regarding the attack on Borovo Selo:

[Stankovic] If we had so far even played down a little the situation regarding adherence to the truce and reduced everything to the sporadic use of arms, we no longer have any right to do this. We are not allowed this by the present situation in the Vukovar area, or more precisely in Vukovar itself.

That is to say, there was an armed provocation from the direction of Borovo Naselje today at 1700 against Borovo Selo, or rather, the unit of the Yugoslav People's Army stationed at the approach to this town. In line with the order of the Supreme Command, the Army responded fiercely [zestoko] in the direction of Licka, Banijska, and Trpinska streets and opened mortar and machine-gun fire. Cannons were also fired from the

boats of the Yugoslav river flotilla [Jugoslovenska ratna recna flotila], which is also stationed in the Borovo Naselje region and Borovo Selo.

It is estimated that as late as 2100 more than 100 grenades had been fired at Vukovar. According to initial estimates, great material damage has been done, and there are also injured.

The local radio is calling on citizens to go to shelters and thus avoid any possible consequences.

BORBA Cited on Foreign Exchange in Republics

*LD1208224991 Belgrade TANJUG in English
1847 GMT 12 Aug 91*

[Text] Belgrade, August 12 (TANJUG)—All commercial banks in Slovenia are buying foreign exchange lately also from private persons at rates much above the official, writes the Belgrade daily BORBA.

According to latest reports, the banks pay one German mark 21.2 dinars and one U.S. dollar 36.3 dinars, thus coming close [words indistinct] prices formed until recently on the supply-and-demand exchange of Ljubljana.

At present Slovenian banks do not sell foreign currencies, although in some cases foreign exchange holders are paid dinar equivalents for their currencies, notes BORBA.

The paper says that, starting from August 9, Zagreb bank in the Republic of Croatia buys foreign currencies from private persons at much higher prices. The 'price list' of Slovenian banks has been accepted in order to stop the outflow of hard currencies to the safes of Slovenian banks operating in Croatia. This bought the dinar's value against the German mark much closer to its value on the local black market.

In Serbia, Belgrade-based Yugoscandic bank also buys foreign currencies, paying 21 dinars for one German mark—almost as much as the price dictated by local street money changers.

This is now the only bank in Serbia which pays prices above the official for hard currencies. However—points out BORBA—the Serbian Chamber of Economy has announced a possible early decision to form a free foreign exchange market, so that the value of hard currency will in future be determined exclusively by laws of supply and demand.

For the present, no bank in Bosnia-Herzegovina either buys or sells foreign exchange at higher rates. However, says BORBA, bankers in the republic are seriously considering this possibility, conscious that the businessmen eager for foreign currencies, will buy them in other republics if they cannot do so in their own.

A similar situation is reported in Macedonia, where banks also do not buy currencies at higher than official

rates, writes BORBA. Local bankers believe that the prices of hard currencies in Macedonian banks will for a time remain unchanged.

In Montenegro, foreign currencies may be bought on the black market—the German Mark sells for 21 to 22 dinars, and the U.S. dollar for 36 dinars. For the time being, however, banks in the republic do not buy foreign currencies at rates higher than the official—says the paper—although bankers are seriously thinking of measures to offset the black market rates.

In Kosovo, the German mark sells at 22 dinars on the black market, but, for the present, there are no banks in the province which buy German marks at this or similar prices.

International

Government Will Inform EC of Brioni 'Violations'

LD1308172191 Belgrade TANJUG in English
1619 GMT 13 Aug 91

[Text] Belgrade, August 13 (TANJUG)—The Yugoslav Government will inform the European Community of the violations of provisions of the Brioni Declaration by Slovenia, government spokesman Predrag Tasic said on Tuesday.

The declaration, signed by key Yugoslav officials and the E.C. ministerial troika on the north Adriatic resort island of Brioni on July 7, provides for a three-month moratorium on the unilateral decisions on secession proclaimed by the Yugoslav republics of Slovenia and Croatia on June 25.

"There will be no bargaining over the implementation of provisions of the Brioni Declaration," said Tasic, warning that the Federal Government would make no concessions to the Slovenes.

It is the stand of the Federal Government that the "system must function, no matter when the moratorium starts and how long will it last. Slovenia must have its representatives in institutions of the system, so that it may participate in consultations within it," he said.

On his talks with the Slovenian Government representatives yesterday, Yugoslav prime minister Ante Markovic rejected Slovenia's proposal to count the moratorium period from either June 25 or July 7.

Markovic said that the date of the beginning of the moratorium was a matter for discussion.

Tasic said today that Zivko Pregl and Joze Slokar are still members of the Yugoslav Government and bear full responsibility for its decisions, "regardless of whether or not they attend government sessions."

Pregl and Slokar, Slovenes by nationality, resigned as vice premier and secretary for transport and tourism respectively after June 25, when Slovenia proclaimed its secession from Yugoslavia.

Soviet Consul General Meets With Rupel

AU1308153591 Ljubljana Radio Slovenia Network
in Slovene 1330 GMT 13 Aug 91

[Text] Yuriy Drenko, Soviet consul general to Yugoslavia in Zagreb, visited Slovenia today. He was received by Ciril Zlobec, member of the Slovene Presidency, Slovene Foreign Minister Dimitrij Rupel, and by Slovene Prime Minister Lojze Peterle.

Drenko handed a special statement by the Soviet government to his hosts. It says that the situation in Yugoslavia is deteriorating, and that it appears that the war between Serbs and Croats will not end soon.

In the talks with Lojze Peterle, Drenko said that the Soviet Union favors peace, and a solution to the Yugoslav crisis formulated by republics without foreign interference.

The Soviet consul general agreed with the view that Slovenia is different from Croatia in many ways, and that Yugoslavia can no longer exist in its present form. He stressed that in the Soviet Union they are also thinking about changes and more modern forms of integration.

Slovenia

Kucan Airs Issues With EC Observer Head

LD1308213291 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1834 GMT 13 Aug 91

[Text] Ljubljana, 13 Aug (TANJUG)—The talks we had today with Jo van der Valk, head of the EC observers' mission, referred to the implementation of the Brioni agreement and Slovenia's expectations relative to the mission's future activity, Slovene President Milan Kucan said tonight.

He expressed the view that Slovenia's strategic interest is for the army to withdraw as soon as possible and without complications, not causing damage to the property in which a great deal of Slovene and Yugoslav money has been invested. There are several problems concerning this that cannot be resolved along the army or 5th Army area-Slovenia channels, but only through talks within the Yugoslav Presidency. In connection with the work of the observers' mission, Kucan stressed the end of supervising the implementation of the Brioni agreement, the mission's active cooperation in the talks on the future of Yugoslavia, and the extension of the role of the mission to the supervision of the cease-fire and future truce in Croatia.

Van der Valk described the talks as constructive, mentioning the need to complete what had been agreed on on

Brioni in connection with the cease-fire. The other important issue referred to was the return of the army's equipment. Some technical problems, van der Valk believes, exist concerning this, but it is in the interests of everyone for them to be resolved quickly and successfully.

Peterle: Slovenia Will Not Provoke Army

LD1308153491 Belgrade TANJUG in English
1158 GMT 13 Aug 91

[Text] Belgrade, August 13 (TANJUG)—'Full withdrawal' of the Army from Slovenia has begun said Slovenian premier Lojze Peterle in a talk carried on Tuesday by the Belgrade daily VECERNJE NOVOSTI.

Peterle expressly rejected the possibility that the Slovenian Territorial Defense could provoke the army to attack Slovenia.

Asked to comment the statement of Jozе Pucnik, leader of Slovenia's ruling Demos coalition, that an 'attack by the Yugoslav Army, under the Brioni Declaration, would automatically bring about recognition of Slovenia as a state,' Peterle replied that Slovenia 'would come by recognition by other methods.'

'We will not provoke the army to win international recognition. This is not our line,' he said.

The Yugoslav republic of Slovenia on June 25 decided to secede from Yugoslavia. The federal army, which under the decision of the federal government protected Yugoslavia's borders, was attacked in Slovenia and proclaimed aggressor.

The Yugoslav Presidency on July 18 decided to withdraw both Yugoslav Army corps from Slovenia.

The representatives of the Fifth Army District last week announced that the Yugoslav Army would fully withdraw from Slovenia by the end of September.

SLOVENEK, DELO Criticize Markovic

LD1308153591 Belgrade TANJUG in English
1242 GMT 13 Aug 91

[Text] Ljubljana, Aug 13 (TANJUG)—The youngest newspaper in the Yugoslav Republic of Slovenia SLOVENEK and the Ljubljana daily DELO on Tuesday criticize the prime minister of the federal government, Ante Markovic, for lacking political tact. The papers say that the reason for the Yugoslav prime minister's visit to Slovenia yesterday is lack of funds in the federal treasury.

SLOVENEK criticizes Markovic for still acting as if nothing has changed in the past few months while DELO accuses him of deciding to return to the 'scene of the crime' due to lack of money. DELO says, among other things, that in order to replenish the federal budget,

Markovic is prepared to extend the three-month moratorium envisaged by the Brioni Declaration into several years of agony for all.

Rupel Denies Violating Brioni Agreement

LD1308182991 Belgrade TANJUG in English
1738 GMT 13 Aug 91

[Text] Ljubljana, August 13 (TANJUG)—Slovenian Foreign Minister Dimitrij Rupel today briefed reporters about the contents of the memorandum with which this Yugoslav republic was expressing its gratitude to the member-countries of the European Community (EC) and the Conference on Security and Cooperation in Europe (CSCE) for their engagement in the internationalization of the Yugoslav crisis.

The memorandum underscores that Slovenia "regularly and duly meets all the articles of the Brioni agreement," Rupel said.

The Brioni agreement about a peaceful solution to the Yugoslav crisis was signed by key Yugoslav officials and representatives of the EC—the ministerial troika, on July 7th.

The Yugoslav Government today announced that it will inform the EC that Slovenia is violating the Brioni agreement unless this Yugoslav republic informs it by Friday that it has changed its stand.

Rupel said that the Slovenian ministry has informed the international public that the "armed aggression against Slovenia continues" but has been "transferred to the domain of terrorism."

Late last week, on the grounds of the Yugoslav Presidency decision of July 18, the Yugoslav Army began to pull out of Slovenia.

The Slovenian memorandum said that pressure has now been shifted to the economy. That is why, Rupel said, Slovenia has asked that friendly countries, the CSCE, the United Nations, and other international factors launch "adequate actions."

In the memorandum, the Slovenian ministry proposed the "soonest possible full international recognition of Slovenia," Rupel said.

Pointing out that Slovenia wanted to take a constructive role in the resolving of the Yugoslav crisis, Rupel presented to the reporters a new version of a state system for Yugoslavia.

The bulk of Yugoslavia "would be organized in a federal manner. It would be joined by Croatia, and perhaps also Macedonia." Slovenia would maintain only a "symbolic alliance" with the other republics, Rupel explained.

Social Democratic Party Leader Interviewed

AU1308150391 Sofia DEMOKRATSIYA
in Bulgarian 8 Aug 91 p 4

[Interview with Erik Modic, identified by DEMOKRATSIYA as general secretary of the Slovene Social Democratic Party, by Doncho Papazov; place and date not given: "Our Communists Deceived You With the Constitution"]

[Excerpts] The opposition won the recent elections in Slovenia and the communists had to relinquish power. A coalition government was formed. The ministries were distributed in accordance with the parties' relative strength. The government is acting and coping with the civil war crisis.

The Demos coalition of six opposition parties is the basic political force. In its structure it resembles the initial idea behind the formation the Union of Democratic Forces [SDS].

Demos won 140 of the 240 seats in the assembly. The Slovene Social Democratic Party is one of the major parties within Demos. Erik Modic, a physicist, 30, is its leader.

[Papazov] How did you succeed in preserving the unity of the coalition before the elections?

[Modic] This is not a homogeneous coalition. There were many parties with different political platforms. However, we are united by three basic factors: We do not quarrel about democracy, civil rights, and freedom. The desire for Slovenia's independence and its integration into Europe is universal. We also are united by the desire to reform political life, and subsequently to establish a market economy. Our coalition before the elections was based on those factors. Demos was formed five months before that. [passage omitted]

[Papazov] Will the Social Democratic Party appear with an independent list at the new elections?

[Modic] It depends on the system. So far we had a mixed system. Under the majority election system Demos had one candidate in each constituency. Under the proportional election system we had separate tickets in each ballot. If five candidates were to be elected in a certain constituency, the separate parties presented separate tickets with five candidates each. The voter could elect the entire party ticket or individual candidates from the various parties.

[Papazov] What could change in the Balkans if Slovenia and Croatia become independent?

[Modic] We will be peaceful and neutral countries. We will have no claims vis-a-vis other states. Communist Yugoslavia is the aggressor. Its Army is led by Great Serbian chauvinism.

I think that if every new state declares total neutrality, disarms, and relinquishes all territorial claims forever,

this could become a real foundation of stability in the Balkans. This could happen if we rapidly break away from the communist past and presence and join the countries that guarantee peace and security.

Italian Party's Territorial Claim Termed 'Absurd'

AU1308124291 Ljubljana Radio Slovenia Network
in Slovene 1700 GMT 12 Aug 91

[Text] The Slovene Ministry of Foreign Affairs provided us with their position regarding the visit of the Italian neo-fascist [Italian Social Movement—MSI] party in the Republic of Serbia [1 August], at which they mainly discussed the change of borders between Italy and Yugoslavia. As is known, the neo-fascist party publicly advocates alteration of the Yugoslav—Italian border and the return of Istria and Dalmatia to Italy after Yugoslavia's disintegration.

The statement of the Slovene Ministry of Foreign Affairs also states that it is clearly written in the basic constitutional charter on the independence and autonomy of the Republic of Slovenia that the borders of Slovenia represent the internationally recognized borders of what has so far been the SFRY, with the Republics of Austria, Italy, and Hungary bordering Slovenia.

In the period after the plebiscite and after the proclamation of Slovene independence and autonomy, the competent authorities of Italy, Austria, and Hungary publicly stated that they will respect state borders even if Slovenia becomes the SFRY's legal successor.

The Republic of Slovenia not only considers the demands of the Italian neo-fascists for border revision to be totally contradictory to the provisions of the Helsinki Final Act and the Paris Charter, but also finds them politically absurd and legally intolerable, says the statement of the Slovene Ministry of Foreign Affairs.

Mesic on Need To Internationalize Conflict

LD1308213391 Zagreb Radio Croatia Network
in Serbo-Croatian 2000 GMT 13 Aug 91

[Text] SFRY Presidency President Stipe Mesic issued a statement regarding today's news conference in Vancouver, which is organized by the Croats from Canada to inform the Canadian and U.S. public about the overt aggression on Croatia by Serbia.

Representatives of Serbia and Montenegro, said Mesic, oppose internationalization and European monitoring. They are against neutral observers who would establish exactly the facts. Due to this blockade it is not possible to include Europe in this conflict, for this is not a conflict between the Serbs and the Croats, but aggression by Serbia seeking Croatian territories. At the moment, the calm on the battlefield is in fact more useful for Serbia to regroup its forces and press Croatia even more. The world should be convinced that this is a war on conquest by Serbia toward Croatia and tomorrow it will be the turn of Bosnia-Herzegovina. The talks between

Milosevic and the representatives of Serbs in Bosnia and the representatives of Montenegro show Milosevic's desire to build Greater Serbia on the ruins of Yugoslavia. Serbia persistently refuses to recognize the borders established after the war because it is trying to convince the world that the Serbian people want to separate from Croatia, but with Croatian territory, which is unheard of anywhere in the world. The most important measures that Croatia should take is internationalization. The world can help us in sending their observers to see objectively what it is all about, and not to allow such a war of conquest on the eve of the 21st century. Despite great pressures and the difficult economic situation, Croatia will not give away an inch of its territory to anyone, not even Serbia, said Mesic.

Croatia

Tudjman Wants International Recognition

PM1308144691 Paris LE FIGARO in French
10-11 Aug 91 p 6

[Interview with President Franjo Tudjman by Vladimir Ivanov—place and date not given]

[Text] [Ivanov] European diplomacy has shown its inability to solve the Yugoslav crisis. What do you expect from the CSCE?

[Tudjman] It is very important for us that the CSCE crisis mechanisms have been set in motion. But, under the terms of the Helsinki convention, the USSR has the power to block everything within the CSCE. Slobodan Milosevic's Serbian government has clearly found support in Moscow among the dogmatic forces which hope to restore the Communist Party's power in their country. That is why the EEC must continue its diplomatic activity in Yugoslavia.

[Ivanov] What about France?

[Tudjman] Paris ought to play a greater role in Yugoslavia, exerting political pressure on Serbia with which France has historical ties. Moreover, we are satisfied with the French proposal to call on the Western European Union to send a military intervention force to Yugoslavia. This could put an end to the conflict provided it is deployed along the borders between Croatia and Serbia on the one hand and Serbia and Bosnia-Herzegovina on the other.

[Ivanov] Do you think that the current cease-fire can last?

[Tudjman] Serbia has accepted a truce thanks to the EEC's pressure, but the situation is still unstable. The Yugoslav federal army is organizing and strengthening its positions in Slavonia (in eastern Croatia—LE FIGARO editor's note) and in Serbia and Bosnia-Herzegovina. All the indications are that the army is planning a broad offensive against Croatia.

[Ivanov] What are you demanding?

[Tudjman] We urgently need international recognition. Only the internationalization of this crisis can push back Serbia and force it to sit round the negotiating table. What we are currently experiencing is a treacherous, dirty war. Terrible crimes have been perpetrated by the Serbian Chetniks, supported by the federal army. It is a disgusting war....

Community of Sovereign States

[Ivanov] Would the fall of the communist government in Serbia change the situation?

[Tudjman] Yes, but not much. In their platforms, all the Serbian political parties mention the notion of "Greater Serbia," on the basis of a memorandum drawn up by the Serbian Academy of Sciences in 1987. Croatia is under attack from Serbia which is trying to expand its territory. There seems to be a consensus in Serbia between the government, the opposition, and the federal army to abandon Slovenia and mobilize against Croatia. Since the withdrawal of federal troops from Slovenia, the military have concentrated on our territory.

[Ivanov] Do you think that Yugoslavia still has a future?

[Tudjman] We suggested opening a debate on the creation of a (Yugoslav—LE FIGARO editor's note) community of sovereign states. What did we receive in return? War.... International recognition of Croatia would force Serbia to open discussions on Yugoslavia.

[Ivanov] What about the longer term?

[Tudjman] In fact what this country needs is an international peace conference, going beyond the framework of Croatia and Serbia. Similar problems exist in Bosnia-Herzegovina and Macedonia. The Croatian people are prepared to fight by all possible means to ensure their survival.

Knin's Martić Foresees 'Great Conflict'

AU1308154091 Belgrade Radio Belgrade Network
in Serbo-Croatian 1300 GMT 13 Aug 91

[Text] It was said at a news conference that there were provocations last night in the Knin area. It was said in the Knin Secretariat for Internal Affairs that an attack of far-reaching dimensions was expected. Danko Peric and Milos Rajkovic report:

[Peric] The village of Otisic was shot at three times last night, the last time around 0400 this morning. The residents of this village left the Sinj commune this winter and decided in favor of the Serbian Autonomous Region of Krajina and thereby Yugoslavia. Part of the road leading from this village to the hills was bombed.

According to information we have received, members of the Krajina forces did not respond to all these provocations. They merely informed the Yugoslav People's Army.

The village of Korlat near Benkovac was shot at last night, and there was also shooting from the police station of the Ministry of Internal Affairs in Polaca at the village of Rastevic, from where five rockets were fired.

In the last three days, 50 Serbs from Skradin and the surrounding area have been dismissed by Sibenik enterprises. They were not helped by the excuse that there were no buses running, which was the excuse used by their until-recent Croatian colleagues from the same places.

[Rajkovic] The real name of Captain Dragan, the until-recently chief instructor of the special units of the army of the Serbian Autonomous Region of Krajina, is Daniel Sneden. He was born in Belgrade and is no kind of criminal, as he has been presented in some newspapers, but a top military expert. This was stated at this afternoon's news conference for domestic and foreign journalists by Milan Martić, internal affairs minister of the Serbian Autonomous Region of Krajina.

Speaking about disagreements between Milan Babić, president of the Krajina government, and Captain Dragan, Martić stressed that this involved a banal quarrel that has nevertheless caused distrust and doubt among individuals and this should be smoothed out. I will personally act to ensure that Captain Dragan returns to Krajina and if this does not happen, responsible tasks are waiting for him in other regions where Serbs are defending their homes, Martić said.

The internal affairs minister of the Serbian Autonomous Region of Krajina expressed open doubt about the present truce in the conflict between Serbs and the Croatian authorities. A serious conflict is in the cards that no one will be able to prevent. We do not want this, but the Croats are making intensive preparations for an attack. This was stressed by Milan Martić at a news conference for domestic and foreign journalists in Knin today.

Zagreb Daily on 'Broadening' European Mission

LD1208105291 Belgrade TANJUG in English
0944 GMT 12 Aug 91

[Text] Zagreb, August 12 (TANJUG)—The Zagreb daily VJESNIK today writes that the statement, adopted by consensus at the Prague session of the CSCE (Conference on Security and Cooperation in Europe), did not precisely define the meaning of 'broadening' the European monitor mission in Yugoslavia.

VJESNIK accuses the Yugoslav diplomacy of 'deceiving Europe and the world with yet another diplomatic cosmetic treatment, managing to hold them in the framework of sovereignty and international-legal subjectivity of Yugoslavia'.

VJESNIK accuses the Yugoslav diplomatic establishment of 'trying to present the situation in Croatia as an internal affair of Yugoslavia', adding that Croatia is now 'a predominantly global European problem whose foundations contain the outlines of a modern European architecture'.

According to the Zagreb daily, Germany believes that the activities of the observer mission should be 'broadened' to include Croatia, while others see it as a 'quantitative broadening of the mission'.

Other countries, like Czechoslovakia, see the 'broadening' of the European mission as 'an opportunity to have the representatives of their military and diplomatic circles among the 500 or so observers', whose activities would be extended include Croatia, as well as Slovenia.

In the confusion over the interpretation of the term 'broadening', Czechoslovak diplomatic circles understood it as a possibility of engaging countries like Poland, Canada and Sweden, VJESNIK writes.

VECERNJI LIST: Too Late For Serbian Autonomy

LD1208153191 Belgrade TANJUG in English
1046 GMT 12 Aug 91

[Text] Zagreb, Aug 12 (TANJUG)—The Zagreb daily VECERNJI LIST said on Monday that 'the creation of autonomy for Serbs in Croatia would not throw the arguments out of the hands of those who want to de-stabilize the republic.' Commenting [on] the debate on a recently prepared document whose legalization would represent a basis for the autonomy of Serbs in Croatia, journalist Milan Jajcinovic notes that 'such people have already destabilized Croatia.'

'They do not even want any Croatia, either with or without autonomy. Admittedly, they do want a Croatia, but only as a province of Yugoslavia, or a new, never bigger Serbia,' Jajcinovic adds. Jajcinovic considers that 'autonomy could perhaps even satisfy politically oriented Serbs, even though among them also, many think the initiative came late. Truly, its ripening went slow. Too much time has been lost.'

On the causes of the armed conflicts in Croatia, Jajcinovic points out that some clumsy moves by the party in power were only a useable motive for instrumentalizing and spreading the rebel grassroots for whom it was often sufficient to be told that they had been left out of the constitution, without mentioning the fact that precisely under that new constitution, Croatia is a state of all its citizens.

VJESNIK Forecasts 'Dangerous Events'

LD1208160391 Belgrade TANJUG in English
1112 GMT 12 Aug 91

[Text] August 12 (TANJUG)—The Zagreb daily VJESNIK says today that in the following days, especially after August 15, "serious and dangerous events are to be expected" in Yugoslavia.

In a commentary "Threatening Week", VJESNIK explains this estimation by the Yugoslav Presidency decision to "exempt categorically the federal army from abiding by the decision on ceasefire (as 'an independent side in the past clashes')."

VJESNIK estimates that the presidency meeting on Tuesday will be difficult and that "the Serbo-Slavian forces will try to obtain by manoeuvring a political vindication of the army's fierce attack on Croatia, of a military coup attempt and of aggression on Croatia."

During the past week, there were "some ten victims, including a journalist" in Croatia, the daily says. "Only an international recognition of the sovereign states in Yugoslavia can halt the clashes from spreading further and establish conditions to start final negotiations (with international factors too) on future political relations in the Balkans."

Cease-Fire Commission Talks With Leaders

LD1308164991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1553 GMT 13 Aug 91

[Text] Zagreb, 13 Aug (TANJUG)—Members of the state cease-fire commission had talks with the Croatian leadership in Banski Dvori, Zagreb, today.

Attending the talks on the Croatian side were Croatian President Franjo Tudjman, SFRY Presidency President Stipe Mesic, Croatian Prime Minister Franjo Greguric, and Minister of Internal Affairs Ivan Vekic. Representing the federal side were SFRY Presidency members Vasil Tupurkovski and Bogic Bogicevic, SFRY Assembly Vice President Irfan Ajanovic, and Federal Secretary for Internal Affairs Petar Gracanin.

An official statement from today's session says:

"The talks focussed on the setting up of a commission for Eastern Slavonia, Banija, and Northern Dalmatia. The Croatian side did not agree with the proposed composition of the commission in which a large majority are Serbs and Montenegrins. By a decision of the SFRY Presidency, an agreement had been reached that the commission should be composed of representatives of Slovenia, Bosnia-Herzegovina, and Macedonia—to which Croatia agreed—in compensation for Serbia's refusal to accept foreign observers and the offered EC formula for the introduction of cease-fire. Croatian representatives also insisted that, in line with the Brioni Declaration, the cease-fire should include the withdrawal of the army into the barracks. The Croatian side stressed that for the stabilization of the cease-fire it is necessary that Serbia recognizes the democratic government and borders of the Republic of Croatia."

The statement does not say whether the text has been coordinated with members of the state commission, nor does it mention what they said at the meeting held in Zagreb.

Autonomous Region of Western Slavonia Formed

AU1308202791 Belgrade RTV Sat TV
in Serbo-Croatian 1730 GMT 13 Aug 91

[Text] We have just received during the program a report on today's decision by the Serbian people to set up a Serbian Autonomous Region [SAR] of Western Slavonia as a political territorial unit. Zeljko Mandic has the details:

[Mandic] In respecting the results of last year's referendum on Serbian autonomy and the results of this year's referendum on the SAR of Krajina acceding to the Republic of Serbia and all those who care about preserving Yugoslavia, today's sitting of the Great People's Assembly of the Serbian People of Western Slavonia made the decision to proclaim the SAR of Western Slavonia, which will be an integral part of the SAR of Krajina.

This political territorial unit will include the Serbian areas of Okucani, Novska, Pakrac, Slavonska Pozega, Daruvar, Grubisno Polje, Virovitica, Bjelovar, Orahovica, Nasica, and Djakovo, as well as Jasenovac, which has been and still is the location of Serbia's greatest suffering and a sacred place.

At the same time, the Great National Assembly most sharply and for the last time warned the Croatian authorities and leadership to immediately stop provoking, harassing, and physically abusing the Serbian population of Western Slavonia. If this final warning is not unconditionally accepted and respected, the legitimate representatives of the Serbian people disclaim all responsibility for any possible conflicts, which could have unforeseeable consequences.

The SFRY Constitution, the Serbian Constitution, the constitutional law of the SAR of Krajina, and all decisions of the legitimate entities of the SAR of Krajina will apply on the territory of Western Slavonia. At today's session of the Great People's Assembly, the government of Western Slavonia was also chosen, with ministers for the economy, the judiciary, health and welfare policy, education, information, internal affairs, and national defense. Right at the end of the sitting of the Great People's Assembly of the Serbian people of the Serbian Autonomous Region of Western Slavonia, the government met to assess the political security situation. The government stated that the situation has visibly deteriorated in some areas, and a regrouping and greater concentration of forces of the Ministry of Internal Affairs and the National Guard are apparent. This has caused disquiet among ethnic Serbian citizens.

Considering this fact, the government made the decision to set up a territorial defense force as the basic defense system with (?all its) bodies and commands.

Zagreb Reports Proclamation

LD1408083191 Zagreb Radio Croatian Network
in Serbo-Croatian 0630 GMT 14 Aug 91

[Text] A Great National Assembly of the Serbian people of Western Slavonia was held in Pakrac last night. A decision was adopted to proclaim the Serbian Autonomous Region of Western Slavonia. According to a complete text, the new, allegedly threatened territorial unit within Croatia comprises territories of (Okucani), Novska, Pakrac, Slavenska Pozega, Vukovar, Grubisno Polje, Virovitica, [place name indistinct], Orahovica, Nasice, Djakovo, and the biggest Serbian graveyard and shrine Jasenovac. On the territory of the New Serbian autonomous region [passage indistinct].

The Great National Assembly of the Serbian Autonomous Region of Western Slavonia elected its government last night, including ministers for economy, justice, information, health and social policy, internal affairs, education, and national defense. A well-intentioned warning to the Croatian government and top leadership was also sent, saying that they should stop their provocations, harassment, and physical maltreatment of the Serbian people of Western Slavonia, because the newly elected legitimate representatives of the Serbian people decline to accept any responsibility for possible conflicts that could have unforeseeable consequences.

Slovene Goodwill Mission Arrives

LD1308184191 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1730 GMT 13 Aug 91

[Text] Zagreb, 13 Aug (TANJUG)—According to a statement issued by the ministry of information of the government of the Republic of Croatia, a goodwill mission of the Republic of Slovenia, led by Dusan Plut, a member of the presidency of the republic, had talks in Zagreb today with a delegation of the Republic of Croatia, led by Croatian Vice Prime Minister Milan Ramljak.

The assessment was made that "a good basis exists for durable and fruitful cooperation between the two republics," and the delegation members noted that "they will base their future relations on European standards of parliamentary democracy and on the principle of full protection of human rights," and that they will develop market economy and protect the environment. They stressed that "reciprocal borders must not be an obstacle to free movement of goods, capital and people between the two states."

It was noted that both "Slovenia and Croatia work for the internationalization of the Yugoslav crisis and for respect for state and international borders as well as the borders between the republics."

Government Session Discusses Refugee Problem

LD1308165791 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1456 GMT 13 Aug 91

[Text] Zagreb, 13 Aug (TANJUG)—There are 9,127 exiled families in Croatia involving a total of 30,651 people. This was stated this afternoon during a Croatian government session. The assessment was made that the problem of refugees is more acute than anticipated. The government decision was that additional measures have to be taken to establish the exact figure and to provide the best possible care and accommodation facilities for them. All refugees regardless of their nationality must be provided conditions conducive to being able to return to their homes. The gravity of the problem requires that international assistance be sought to resolve the problem of refugees.

The greatest number of refugees is from the east Slavonija area and from the Knin crisis region; 89 percent of refugees are Croats, 6 percent are Serbs and other nationalities.

Krajina Police Head Says War 'Inevitable'

LD1308180891 Belgrade TANJUG in English
1649 GMT 13 Aug 91

[Text] Knin, Yugoslavia, Aug. 13 (TANJUG)—Milan Martić, interior minister of the so-called Serbian Autonomous Region of Krajina, told journalists today that "war is inevitable if Croatian police and National Guard do not withdraw from Krajina."

Krajina is made up of 13 communes in the Yugoslav Republic of Croatia with majority Serb populations, where ethnic strife has been under way since August last year, and particularly since June 25 this year, when Croatia proclaimed its dissociation from Yugoslavia.

Krajina is not recognized by the Croatian authorities.

Martić, who in the past few days toured the regions of Slavonia, western Srem and Baranja, said that the truce in those areas was "fictitious" and "simply a breathing space for the Croatian police and National Guard units to equip themselves with heavier weaponry."

"Although I personally do not want it, a major conflict is on its way and it will be difficult to stop," Martić said at a news conference in Knin, centre of the Krajina region.

Fierce fighting has been under way for months in Slavonia, western Srem and Baranja—regions with a mixed Serb-Croat population—between Croatia's police and paramilitary troops and armed Serb civilians.

The Yugoslav Army and Presidency are trying to prevent an escalation of the conflict, in which several hundred people have been killed.

Slavonia Living Conditions 'Very Difficult'

LD1308172291 Belgrade TANJUG in English
1604 GMT 13 Aug 91

[Text] Belgrade, Aug 13 (TANJUG)—Living conditions are very difficult in the crisis spots of Slavonia, Yugoslav Republic of Croatia, the Yugoslav Government said today, adding that much risk was involved in getting humanitarian aid through to the threatened population of this region.

A statement by the Yugoslav Government Information Service said a working group had toured the territory of the municipality of Osijek, the central city in Slavonia, and the neighbouring villages of Dalj and Sarvas, where the most fierce clashes took place last month between armed formations of Croatia and the armed Serbian population.

According to the report of the working group, there is no complete awareness about the situation and problems in the threatened territory of Slavonia, especially in the isolated places.

"There is no information about the people who have left their homes, or about missing persons, arrested persons, or other similar categories," the Yugoslav Government working group report said.

It also said that there was a break in communications, that the supply of drinking water and electricity were irregular, and in some places even completely disconnected.

"Without a ceasefire and the establishment of peace and free communications it is almost impossible, or at least very risky, to send any aid to the threatened region," the report said.

The report further added that the Yugoslav Red Cross had on July 16 proposed to the Red Cross of Croatia the forming of joint teams for providing aid in medicines and food to the population in the isolated settlements in the crisis area.

It had been proposed that the teams also include members of the International Red Cross Committee. However, the Croatian Red Cross still has not replied either way.

In closing, the Federal Government said it had granted 50 million dinars (one German mark equals 13 dinars) in relief aid to the refugees and the population of the threatened areas of Yugoslavia.

Prisoner Exchange Again Postponed

LD1308160691 Belgrade TANJUG in English
1445 GMT 13 Aug 91

[Text] Osijek, August 13 (TANJUG)—The exchange of about 80 prisoners arrested during the armed clashes between paramilitary formations of Croatia and the armed Serbian population of this Yugoslav republic was postponed again today, reporters were told.

Osijek Mayor Zlatko Kramaric said that the "Serbian negotiators only reported that their side would not come to the agreed place at the agreed time today."

Kramaric explained that the exchange of prisoners planned for yesterday did not take place because the "other side" does not have a precise list of the people that should be exchanged.

Kramaric further explained that this does not mean that negotiations on the exchange will not continue. Nevertheless, he expressed apprehension that "without the withdrawal of the army..." there can be no serious ceasefire or truce.

Units of the Yugoslav People's Army (YPA) present in the crisis territories of Croatia are trying to form a buffer zone between the warring sides, but Croatia is accusing them of "protecting terrorists," "bandits" and "Chetniks" (the name Croatian authorities use for armed Serbian civilians).

The YPA is denying the accusations that it is one of the warring sides in the conflicts in the territory of the Yugoslav Republic of Croatia.

Interior minister of the so-called Serbian autonomous region of Krajina Milan Martić last night said, however, that yesterday's exchange of prisoners had fallen through because the Croatian side was willing to release only civilians in exchange for members of its interior ministry and national guard.

"The Serbian side has been tricked," Serb defenders of Borovo Selo stated yesterday. Following fierce clashes with Croatian armed formations, the Serbs now have control over this Serb-populated village in the vicinity of Osijek.

Member of the Yugoslav Presidency commission for monitoring the ceasefire and vice-president of federal parliament Irfan Ajanović last night told reporters that the exchange is hindered by the short deadline, but also by new arrests by the Croatian side in the crisis territories.

Seventy-Five Prisoners Exchanged in Krajina

LD1308201891 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2001 GMT 13 Aug 91

[Text] Knin, 13 Aug (TANJUG)—The exchange of 75 prisoners - members of the Krajina forces on the one side, and members of the Croatian Ministry for Internal Affairs and the National Guard Corps on the other - took place this evening around 2100. The exchange was conducted in line with the principle all for all, the Krajina Secretariat for Internal Affairs revealed.

Bogicevic Comments on Arrests by Croatian Forces

AU1308212291 Belgrade RTV Sat TV
in Serbo-Croatian 1730 GMT 13 Aug 91

[Interview with Bogic Bogicevic, member of the SFRY Presidency, by an unidentified reporter on 13 August; place not given—recorded]

[Text] [Reporter] We have the information that the members of the Ministry of Internal Affairs [of Croatia] are arresting people these days so that they have captives to exchange. Do you know anything about this, and how do you plan to resolve it?

[Bogicevic] We have decided that all the arrested individuals will be released. This is not the classical prisoner exchange based on parity; both sides are to release everyone they arrested regardless of the numbers. We previously had problems with the lists; now these new problems have arisen, leading to an exchange based on parity.

Yesterday we received initial reports that new arrests are being made, arrests of people who are not in uniform at all, to increase that number. We will discuss this also today at the session of the SFRY Presidency.

Borovo Selo Attacked From Borovo Naselje

AU1308205391 Belgrade Radio Belgrade Network
in Serbo-Croatian 2000 GMT 13 Aug 91

[Text] We have received a special report from our reporter Radovan Brankov on the attack on Borovo Selo:

[Brankov] There has been an attack and commotion in Borovo Selo this evening. After 1800 mortar fire was opened on Borovo Selo from the direction of Borovo Naselje. The fire is still continuing.

We have learned that the forces of the Ministry of Internal Affairs are using recoilless artillery, and glowing flares are flying toward Borovo Selo at this moment.

Residents readily responded to the attack, saving both people and the village. The residents of Borovo Selo are again in their basements. There are wounded, as we have unofficially learned. [words indistinct]. The attack is continuing and the village is being defended.

Towns Hit by Mortar Fire, Artillery

LD1308200191 Zagreb Radio Croatia Network
in Serbo-Croatian 1900 GMT 13 Aug 91

[Text] The municipalities of Alojze Stepinac, Nikola Subic Zrinski, Braca Radic, and Nikola Demonja in Borovo were fired upon earlier than usual this evening. Since 1700, shots were fired from automatic rifles from the direction of Crepulje, the known terrorist stronghold in Borovo Selo. The reserve force of the [Croatian] National Guard Corps returned fire. Around 1900, the municipality of Alojze Stepinac received information that the Croatian Ministry for Internal Affairs and the army are demanding a cease-fire. But around 1920, the

first mortar shells fell on the above-mentioned municipalities. It has now been established that substantial material damage was inflicted.

Around 2015, the medical center in Vukovar started to evacuate personnel and patients. Within 15 minutes, all patients were transferred to safe places, and nine newborn babies are safe. In the same period, all doctors reported for duty. So far, there are four seriously wounded members of the reserve force of the National Guard Corps. While we are reporting this, synchronized artillery and mortar fire has been opened by the federal Army—from three vessels—and the terrorists.

'Peace Action' Draws 10,000 in Tuzla

LD1308221191 Belgrade TANJUG Domestic Service
in Serbo-Croatian 2011 GMT 13 Aug 91

[Summary] Tuzla, 13 August (TANJUG)—A peace action was held in Liberation Square in Tuzla tonight. About 10,000 people, old and young, gathered in the center of Tuzla to protest against everything negative happening in the country, and especially against the war. People came into the city center carrying flowers. At 2030 a peace concert under the title "With a Song to Peace" started outside the municipal assembly building, and before the concert a chess tournament was held in the main street. One hundred chess boards were used and four international masters took part.

YPA Accuses MUP of Attacking Army Column

LD1308125991 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1209 GMT 13 Aug 91

[Excerpt] Zagreb, 13 Aug (TANJUG)—The headquarters of the Zagreb Corps of the Yugoslav Peoples' Army [YPA] today issued a statement saying that the night before last, members of the Ministry of Internal Affairs [MUP] used light weapons to attack a column of military vehicles in the village of Graberje in the area of the municipality of Glina. On this occasion two soldiers were injured: Milan Kljajic seriously and Dragan Perincic slightly.

"It was irrefutably established that an attack was carried out on the last vehicle in the column, following which the soldiers fired back in self-defense," the statement says. It stresses that a joint commission of members of the YPA and the MUP went to the spot but there were no results "because the representatives of the MUP deny the irrefutable fact that they were the first to open fire." [passage omitted]

Serbia**BORBA Assails Milosevic's Moves**

LD1208150691 Belgrade TANJUG in English
1056 GMT 12 Aug 91

[Text] Belgrade, August 12 (TANJUG)—The Belgrade daily BORBA today criticizes Serbian President Slobodan Milosevic of trying to "instrumentalize Yugoslavia" to rally all Serbs in one state.

BORBA writes that Milosevic "believes he now has the historic opportunity to, once and for all, settle accounts with the Croats and do what Serbian Politicians after World War I did not—rally all Serbs in one Serbian state."

"He is perfectly aware that Yugoslavia is the only way he can do this", BORBA writes commenting on Milosevic's latest initiative for a meeting of the representatives of Serbia, Bosnia-Herzegovina and Montenegro to discuss, as the paper put it, a "Yugoslav coalition".

However, BORBA believes "it is impossible to create a greater Serbia and keep it, and it is impossible to instrumentalize Yugoslavia for one's own (Serbian) national interests. No one wants an incomplete Yugoslavia ... not even the Yugoslav People's Army regardless of its present manoeuvres."

The paper writes that talks with Europe cannot be held in Milosevic's fashion. No matter what Europe is like, a war - either political or real - cannot be waged against it. In this, even the Russians cannot and will not, excessively, help the Serbian president.

"Slobodan Milosevic is like his opponent (the president of the Republic of Croatia) Franjo Tudjman—in a trap", BORBA writes.

"If he pursues his current policy, Serbia—great or small—is headed for international isolation, poverty and internal unrest out of which Milosevic cannot emerge triumphant," BORBA writes.

Djindjic Suggests Autonomy System for One State *AU1308195291*

[Editorial Report] Vienna Oesterreich Eins Radio Network at 1622 GMT on 13 August carries a 35-minute recorded interview with Zoran Djindjic, deputy chairman of the Democratic Party and member of the Serbian Assembly, by Walter Erdelitsch in Belgrade. Djindjic, who answers in German, says that the democratic opposition, which did not have a chance to influence the election law, is unable for the time being to bring about any changes in the country. He warns against any attempts to set up ethnic states, because there are "so many ethnic groups that about 20 small states would have to be founded, or ethnically mixed states that would continue the old conflicts."

Djindjic also rules out a Greater Serbia because such a state would "at best have a population of 60 percent Serbs" in addition to Muslims, Albanians, and Hungarians, and "the conflicts would probably be transferred to this new Serbian state." He says that the Democratic Party "is pursuing the idea of autonomy and is trying to offer the insurgent Serbian groups political territorial autonomy within a common multinational state."

Asked about Chetnik leader Vojislav Seselj, the chairman of the Serbian Radical Party, Djindjic says that he "is a political clown" who has been given too

much publicity by the media. He believes that Seselj, who has withdrawn to Pristina, will now "tell his lies in Kosovo" and will say that he "is protecting Serbian interests" there. In Djindjic's words, "Seselj is the simplest expression of the absurd situation" in Yugoslavia.

Answering a question about the recognition of Slovenia and Croatia by a number of European countries, Djindjic says that "if there were no domino effect, the recognition of Slovenia would not be at issue for the other Yugoslav republics." He says that the situation is totally different with Croatia because the Serbs do not want to secede from Yugoslavia. The recognition of Croatia by the Western European countries would "definitely Lebanize the Yugoslav crisis, which would mean that an official war would break out whereas now an unofficial war is being waged."

Djindjic says that in his view, "all ethnic groups concerned should, for the time being, drop the idea of pursuing an independent state. That applies to Croatia and to the Serbian groups that are expecting to become part of a Serbian state." He adds that "under the control or the auspices of the European institutions, a system of autonomies should be developed that would make possible a provisional structure where all politically organized ethnic groups" would be given "institutional guarantees that their rights would be respected." Then a definite solution could be found after "four or five years" when the situation has calmed down and is less tense.

Djindjic criticizes the Serbian government for failing to hold a political dialogue with the people in Kosovo. In addition, "human and civil rights, political and collective rights" must be guaranteed to the people there. "Unless something is being done very soon, there will be another Croatia, meaning war, in Kosovo."

Asked about his party's alliance with the [Serbian Renaissance] Movement led by Vuk Draskovic, Djindjic says that he is "forced to collaborate with any group in Serbia that is opposed to the Communist regime." He says that "we are not very happy about this alliance. It is not a programmatic but a tactical alliance. We will distance ourselves from all those policies of the other party, which are incompatible with our program. We also said clearly that we are opposed to Draskovic's armed guard." However, for the moment, there is "not much leeway for an independent democratic policy in Serbia, and we must try to pressure this government to introduce democratic reforms, and we as a party are not strong enough to do that alone."

Jovanovic Defends Milosevic, Democratic Traditions *AU1308164391 Prague LIDOVE NOVINY* *in Czech 12 Aug 91 p 3*

[Petr Kypr report: "Foreign Minister Vladislav Jovanovic Has No Doubts: Serbia Is Tolerant"]

[Text] Serbian Foreign Affairs Minister Vladislav Jovanovic participated in the Prague meeting of CSCE representatives as a guest of the Yugoslav delegation. We are publishing a substantial part of his introductory speech at a news conference, translated into Czech with minimal editorial changes:

A dynamic process is taking place in Serbia that has not been concluded yet, but is certainly the most developed and large scale in the whole of Yugoslavia. Our opposition in the assembly, media, and society is completely free. Anybody can express his opinion. We have a couple of papers that support the government, but all the others belong to the opposition. This phenomenon does not exist in the other republics. Serbian democratic traditions are the only such traditions in all of the Yugoslav nations. Croatia had only 40,000 votes in the Austro-Hungarian Empire. Slovenia did not have its own high schools. They gained everything they now have in Yugoslavia.

Serbia, prior to the establishment of Yugoslavia, had one of the most democratic regimes in Europe. Therefore the spirit of tolerance and cosmopolitanism that dominates Serbia today cannot be found anywhere else. Serbia is not bolshevist or Marxist, it does not have any territorial demands, and it does not want anything for itself that it would deny the others. The Serbo-Croatian problem arose at the very moment the new government assumed power in Croatia. This government calls itself democratic but in reality it is democratic only in having been elected in democratic elections, not in its goals or in the methods whereby these goals are achieved. It immediately announced secession as its goal, and promptly deprived its Serbs of their national rights. Using force, it wanted to take them out of Yugoslavia. The government's attitude to Serbs is not only nationalist but outright racist. It speaks of them as a minority—which is anti-constitutional, for all the nations in Yugoslavia are nations with full rights and cannot form a minority in their country.... People in Krajina had to appeal for help just to survive. They want to stay in Yugoslavia; they do not want to live in an independent Croatia. Therefore, there is no conflict between Serbia and Croatia but between Croatia and its inhabitants of Serbian nationality. If Croatia did not secede, there would be no problem....

Milosevic (current Serbian president, author's note) realized before the others that communism could not endure and he cast doubts on Titoism and the government of totalitarian ideology. The party officials felt the danger, and began to present him as a black devil. Paradoxically, maybe if it were not for him, even Slovenia would not be as democratic as it is now....

The regime, which is ruling Yugoslavia now, is a Swedish-style social democratic one. I am not a member of the Socialist Party, and personally believe that it could be even more democratic than it is. Other parties do not have political experience on the whole, they blunder occasionally and they err but they certainly have full

freedom.... Regarding the current security talks, these belong exclusively to the jurisdiction of the Yugoslav Presidium. At the moment, Serbia respects the decision on a cease-fire.

[Question] Why do you think media and politicians around the world agree on their negative assessment of your policies? Have you asked yourself this question?

[Jovanovic] Serbia was lethargic and dealt with other issues—for instance, Kosovo, which seemed like it was made for Serbia to focus on—so, we neglected the issue of informing the world public. Serbia most felt the choke of communism, do not forget that not all the leaders of post-war Yugoslavia were Serbs. Milosevic is completely democratically oriented. All the disinformation is intentional. They are aimed at the rebel who first doubted the system. These are old Comintern platitudes. If we look at the facts, however, Serbian nationalism and hegemony to not exist. Unfortunately, we have not reacted to the disinformation in time.

[Question] How does Serbia see the future of Yugoslavia as a state?

[Jovanovic] Serbia and the Serbian nation deserve most credit for the establishment of Yugoslavia and they were very enthusiastic in this task because they attained their national unification in the process. If Yugoslavia disintegrates, the Serbian national question will reopen. So, Serbian interest in a common state is sincere but we do not wish it to be an undemocratic or unjust state. We want the current, flexible federation that grants equal rights to all. Therefore, we do not want any contractual union—confederation.

Magyars Reject YPA Exemption Proposal

LD1308173791 Budapest Kossuth Radio Network
in Hungarian 1600 GMT 13 Aug 91

[Excerpts] The Yugoslav state Presidency session has begun. Here is news which we received from Arpad Madarasz from Vojvodina.

[Madarasz] [passage omitted] The Vojvodina leadership of the Serbian Socialist Party has condemned Andras Agoston, chairman of the Democratic Community of Magyars of Vojvodina, [VMDK] over the latter's proposal to Stepen Mesic in which he suggests that the Magyars of Vojvodina should be exempted from service in the Yugoslav People's Army [YPA] and in the reserve units. According to the Vojvodina leaders of the Serbian governing party this demand is cynical, contradicts the constitution and is another attempt to poison the relationship between the nations and nationalities in Vojvodina. [passage omitted]

Increase in Serb Refugees From Croatia Reported

LD1308165291 Belgrade TANJUG in English
1515 GMT 13 Aug 91

[Text] Belgrade, August 13 (TANJUG)—Despite the fact that a ceasefire has been in effect for several days now in

the crisis territories of Croatia, the number of Serbian refugees from this Yugoslav republic, especially from the major cities, is rising rapidly, the Serbian Red Cross said today.

Around 350 Serbian refugees arrive in Belgrade daily and there are now over 16,000 of them here. Close to 50,000 people have fled to Serbia from Croatia so far, but the number is believed to be much higher because they have not all been registered at the Red Cross offices.

The tide of Serbian refugees from Slavonia, Baranja and Western Srem (crisis spots of Croatia) is not ebbing in the Serbian province of Vojvodina either. There are more than 24,800 of these refugees in Vojvodina at present.

Serbian Parliament President Aleksandar Bakocevic today visited the republican red cross and said that the Serbian government would do "everything to help these people."

The fate of the refugees depends "primarily on the political solution to the situation which has made them leave their homes," Bakocevic underscored.

Crowd of 70,000 Attends Soldier's Funeral

*AU1308190291 Pristina BUJKU in Albanian
2 Aug 91 p 3*

[D. Maliqi report: "The Soldier Muhamet Bickaj Buried With Honor"]

[Text] Hogosht, 1 Aug.—In the presence of about 70,000 people from the commune of Kamenica, other parts of Kosovo, and elsewhere, the soldier Muhamet (Raif) Bickaj (1971) was buried today in the cemetery of the village of Hogosht near Kamenica. As has been reported, he tragically lost his life under "mysterious" circumstances on 29 July while on military service in Dugo Selo in Croatia, supposedly while preparing mines for use.

The protest of the Coordinating Group of Kamenica states that one more name, that of Muhamet Bickaj who died in the flower of his youth, has been added to the roll of Albanian victims in the Serbo-Slav Army. The Yugoslav Army has now become a graveyard for young Albanians, who join the ranks in full health but often return dead, with suspicious and absurd explanations.

There was indeed widespread grief at the death of this lad. Before the funeral cortege left, people from various parts began to gather in front of the house of the boy's parents, who contained their grief in a dignified fashion. Throughout the morning, people came to share the grief of the parents of Muhamet, an upstanding and outgoing boy beloved by everybody. The lanes of Hogosht were very narrow to hold all those who came to bid a final farewell to Muhamet, but the people of Hogosht are truly generous and hospitable.

Agim Kastrati spoke in the name of the young people of the village where Muhamet was born and grew up. Drita

Kuqi-Kastrati spoke in the name of Albanian mothers, and said that all Albanian mothers share a common sorrow in the tragic death of this young lad. From this sorrowful ceremony, Albanian mothers raise the voice of reason and call on the international community to take steps to prevent our sons from being killed by the Yugoslav Army, because our patience has its limits.

Shaban Kastrati, chairman of the Kosovo Democratic Alliance's sub-branch, spoke in the name of all the villagers of Hogosht.

He said that the bitter news of Muhamet's murder had shocked his family, his birthplace of Hogosht, and the Kamenica area, and had grieved all Kosovo.

In the name of the students and staff of the Alaudin Islamic Seminary in Pristina, where Muhamet had been a student, the seminary's principal, Efendi Resul Rexhepi, spoke. Many telegrams of sympathy from individuals, fellow students at the seminary, and various Albanian parties and associations were then read. Muhamet's father Raif spoke with dignity, thanking everybody for attending his son's funeral. Religious rites were performed, and many wreaths and fresh flowers were laid on the grave. We stress that there were large police forces guarding the road to Hogosht, but citizens were in no way prevented from attending the late soldier's sad funeral.

Pristina Paper Opposes Calls for Kosovo Uprising

*AU1308155291 Pristina BUJKU in Albanian
4 Aug 91 p 2*

[Fehmi Ajvazi article: "Pan-Slav Maneuvers"]

[Text] The tangled yarn of Yugoslavia is becoming even knottier, and could lead to a very tragic end. Now, not even the most optimistic forecasters know how to untangle the strands, but it is clear that weapons will be brandished in many parts of Yugoslavia. It is Serbia who contributed most to this situation, and with its suspension of Kosovo's autonomy advanced clear intentions to put the federation in its pocket. Unfortunately, the other republics did nothing to stop the Serbian claim in time, and sold Kosovo and its Albanian population at a very cheap price. Why did they do this? Of course, they clearly were acting in their own interests, "thinking that Serbia would rest content with Kosovo." They therefore did not hesitate to vote in favor of the emergency measures against the Albanians and cheerfully sent the police and Army to Kosovo. The idea of baiting the hook on alien territory turned out to be a very ill-advised policy for the Yugoslav republics, because Serbia, after invading Kosovo, embarked on an offensive to seize the whole of Yugoslavia. Titoite Yugoslavia then began to crumble.

Saber-Rattling

At a time when rabble-rousers were demanding weapons in the towns of Kosovo and there were shouts of "We want the Russians" [Hocemo ruse, in Serbo-Croatian] in Niksic, the north Slav and south Slav lobbies divided a cake in Belgrade on 28 March [reference to celebratory cake shared by Yugoslav leaders on the creation of a "united Serbia" in March 1990]. Later, after the changes in the East and the blowing of democratic winds in Yugoslavia too, Serbia realized that the bird might escape its clutches and insisted on the preservation of the federation at all costs. The political struggle lasted a long time. The former tacticians, or "the sensible family," finally realized that Serbia would swallow everybody. However, it was too late. Slovenia came under the heel of the military, and there were victims. The Slovene road to freedom and sovereignty cleared political heads in Zagreb, Sarajevo, and Skopje.

After difficult days, with the Army surrounded by Slovene territorial units, the Yugoslav Army was compelled to withdraw from the Alps. Behind the scenes of this forced withdrawal, Serbia now seems to be repairing "bridges of cooperation" with Slovenia. This is in fact a tactic that even Slovenia is accepting. Slovenia thanked Serbia, accusing Croatia of silence during the military intervention, thus has Serbia separated Croatia from its main ally.

By isolating Croatia, Serbia has in recent days given a signal to the Serbs of Croatia to rise in rebellion. Thus, the Republic of Croatia is faced with a real war, in which the Army that no longer deserves the attribute "People's" is also involved. What is interesting is that the National Guard and the forces of the Ministry of Internal Affairs have still not received a clear order to enter battle! Tudjman has not issued the order for resistance, not even after the deaths of 100 people, dozens of burned villages, and millions of lost dollars!

Many people, probably even the Croats themselves, find the Croatian strategy a puzzle. Nevertheless, many things lie behind this Croatian position.

Where "Must the Fire Be Kindled?"

Most Yugoslav republics are now persuaded that leaving Yugoslavia will require a struggle against Serbia. At a time when the Albanians have been struggling against Serbia for no fewer than 10 years, many pan-Slav political circles wish to set Kosovo aflame. Propaganda to hurl the Albanian population in Kosovo into a general uprising suits certain Croatian political circles at such a time. Thus, the fire must be kindled in Kosovo in order to save Croatia. Consciously or not, this propaganda is also receiving support among certain political forces in Kosovo. However, this must not happen in Kosovo at any cost, even though our policy of patience enables the police, military, and Chetnik forces to swagger up and down Kosovo. The many incidents, which have unfortunately been very serious, and the general repression in Kosovo are still not a definitive sign for a general

uprising. War has a high price. War in Kosovo would not even suit Serbia. Serbia has its work cut out on the northern front. Any escalation of the war in the south would mean war between Serbia and Albania.

However, this does not mean that the Albanian people should sleep. The Albanians must make maximum preparation for war while at the same time opposing war by every means.

Paper Reviews Kosovo Military, Militia Movements

AU1308164891

[Editorial Report] Pristina BUJKU in Albanian on 4 August carries on pages three and 16 five 100- to 200-word correspondents' reports on the movements and activities of military and militia forces in Kosovo.

On page three, under the headline, "Disarmament of the Albanians Continues," an H.M.-attributed report from Pec, dated 3 August, states:

"Groups of militiamen accompanied by civilians are continuing the campaign of disarming Albanians in all parts of Pec Commune. Revolvers, hunting rifles, and other guns which people have bought with their own money and for which they possess licenses are being confiscated every day in villages and in the town. In the last few days alone, all the licensed weapons were seized in Bllagaje, Loxhe, some Rugova villages, the valleys of Terstenik, Baran, and Leshan, and in Karadavc. Instructions were left for persons not at home to hand in their weapons to the Secretariat for Internal Affairs. Some families were also searched for illegal weapons, but fortunately none were found, except for the occasional revolver."

Under the headline, "Gunshots and Volleys of Rifle Fire," an A.H.-attributed report from Dragas, dated 3 August, states:

"Military and police forces arrived yesterday evening and today in the village of Brezne of Dragas Commune, on the Yugoslav-Albanian border, on the pretext of searching for Albanian citizens fleeing Albania. Gunshots and volleys of rifle fire were heard last night. Qerim Shala and Muhamed Kryeziu, shepherds from Brezne, were taken to the commune's Secretariat for Internal Affairs today for informative discussions."

Under the headline, "Movements and Exercises of Reservists and Militiamen," an undated A.B.-attributed report states:

"As representatives of the Kosovo Democratic Alliance sub-branch in the village of Balince report, a Zastava 101 car with the militia license plate M.601-800 appeared in the center of the Balince, in front of Hajdar Gashi's store, at 0215 [0015 GMT, day not given]. Several militiamen and reservists left the car and checked the entrances to the village. They then practiced throwing knives at a package of tiles.

"The militiamen patrolled the village streets several times at a slow speed. These movements distressed the residents. Meanwhile, at the Orllat road junction, the day before yesterday, three armed Serbian policemen stopped Mehmet Bibaj from Lladrovc, who was driving his car with Ljubljana license-plates. They took him to the Pec Secretariat for Internal Affairs, beat him up, and threatened him with guns. The Serbian militia also beat up his four fellow-passengers in a room which, they stress, was covered in blood. It is thought that the reason for this beating was the car's Ljubljana license-plates."

On page 16, under the headline, "More Frequent 'Visits' by Members of the Yugoslav Army," a C.M.-attributed report from Decani, dated 3 August, states:

"After the police violence, 'visits' by soldiers of the Yugoslav Army, reservist formations, and Chetnik bands have recently been more frequent in this commune. For instance, two Army vehicles filled with soldiers and civilians inspected every nook and cranny of the village of Poberge yesterday evening and today. Some incidents show that the Yugoslav Army has joined this dangerous game: Two days ago, members of the Yugoslav Army and other formations maltreated several Albanians at the entrance to Decani. According to statements by shepherds from the village of Isniq, now in their shielings in the mountains, a military helicopter fired a hail of bullets among the shielings at Rashkodol on the border with Montenegro, and then disappeared in the direction of the Montenegrin-Kosovo border."

Under the headline, "Intensive Exercises of Reservist Units," an undated T.R.-attributed report states:

"Reservist units on the territory of Orahovac Commune today conducted intensive exercises with heavy artillery. As Kosovo Democratic Alliance sub-branches in the villages of Drenove, Potoqan, Bellacerke, and Sopniq report, a large number of reservist units dressed in military uniforms were deployed in the early hours of this morning in the hills and mountains around these villages. All the roads leading to Orahovac were blocked in this area, which includes several rifle ranges. Equipped with various kinds of weapons, the reservist units began intensive exercises. From the firing heard throughout the day, it is thought that heavy artillery was also used. These shots caused distress and anxiety among local residents."

Kosovo Parties Examine Danger of Conflict

AU1408074791 Zagreb Radio Croatia in Albanian
2050 GMT 13 Aug 91

[Text] The Coordinating Council of Albanian Political Parties in Kosovo has at several meetings examined the current political situation in Kosovo and nationally, and, in this context, the possibility of solving the Albanian question.

It is generally recognized that the situation is extremely grave, and fraught with the danger of a conflict in

Kosovo too, as a result of the policies of the Serbian chauvinists [words indistinct]. Bearing in mind the Albanian population's specific situation in Yugoslavia and Albania's interest and determination in committing itself to the protection of the Albanians in Yugoslavia, one reaches the conclusion that any conflict or preparation of a massacre against the Albanian population in Yugoslavia would start an interstate conflict or war that would envelope the entire Balkans with unforeseeable consequences for the international community.

The Coordinating Council is also examining the present situation of Albanian soldiers in the Yugoslav Army, and the question of sending recruits. In association with the relevant (?trade unions), the Coordinating Council is examining the question of returning Albanian workers to their jobs, and the questions of Albanian-language education and the start of the new school year, bearing in mind Serbia's steps against Albanian schools, and how these acts of repression can be resisted.

The question of constituting the legal organs of the Republic of Kosovo is also under consideration. The public will be informed later about the decisions that are made on these issues.

Macedonia

Gligorov, USSR Envoy Discuss Ties

LD1308171291 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1347 GMT 13 Aug 91

[Text] Ohrid, 13 Aug (TANJUG)—Macedonian President Kiro Gligorov received in Ohrid today USSR Ambassador to Yugoslavia Vadim Loginov, who is paying a one-day working visit to the Republic of Macedonia.

Their talks, which were also attended by Macedonian Minister for Foreign Relations Denko Malevski, focussed on numerous questions regarding relations between Macedonia and the Soviet Union. They concluded that real conditions exist for the expansion of relations, which will be mutually beneficial. A high-ranking delegation of the Macedonian government is expected to visit Moscow and some Soviet republics soon, and to hold talks there.

President Gligorov briefed Ambassador Loginov about the current situation in the republic, and also about measures being taken for the peaceful and democratic settlement of the Yugoslav crisis. He particularly pointed to a recent decision of the Macedonian Assembly on holding a referendum, and to the intensive work being done on the adoption of a new Macedonian constitution.

Macedonia, as a sovereign and independent republic—says a statement issued after the meeting in Ohrid today—will be open for the most comprehensive cooperation, links, and associations on the basis of equal relations with all nations in Yugoslavia and with nations in the Balkans and in Europe.

Ambassador Loginov presented the stands of the Soviet government regarding the preservation of Yugoslavia in a way and form on which the Yugoslav nations reach agreement. In that connection, he particularly stressed interest in the Gligorov-Izetbegovic platform on the future structure of Yugoslavia as a union of sovereign states.

Albanians in Macedonia Support Independent State

AU1208124691 Vienna DIE PRESSE in German
12 Aug 91 p 4

[Interview with Zevzat Halili, head of Macedonia's "Party for Democratic Prosperity" by Roland Hofwiler; place and date not given: "Europe Expects Democracy, Not War"]

[Text] [Hofwiler] The national tensions between Macedonians and Albanians are allegedly not less than those between Serbs and Croats. Still, you want to support the efforts of the Macedonians to become an independent state.

[Halili] It was the strategy of the communists to play off the Albanians against the Macedonians. Both peoples are now trying to implement democracy. As a matter of fact, we Albanians are not content with the minority rights granted to us in Macedonia, but we have no choice other than to proclaim a new state together with the Macedonians. Of course, we insist on certain preconditions. We will not allow the establishment of a national state, but we want a republic in which both Macedonian and Albanian are official languages, in which we Albanians are treated as a people and not as an ethnic minority, and in which our culture, language, and education are not impeded in any way.

[Hofwiler] Are your demands realistic?

[Halili] We know that the largest opposition party, the Internal Macedonian Revolutionary Organization [VMRO], wanted to ban our party as recently as one year ago because we are allegedly Albanian "separatists." However, they have learned that we are democrats just like them.

[Hofwiler] Was this not imperative in view of the "Serbian threat?"

[Halili] The danger has not been averted completely. Who says that Belgrade will accept Macedonia's secession? Macedonia's population also includes 10 percent of Serbs. The reform-minded communists are a strong force in parliament. However, after the events of the past few months, Macedonia can no longer remain part of an increasingly bolshevist and Serbian-nationalist Yugoslavia. Meanwhile we have good contacts with the VMRO. We are aware that we must live together as peoples.

[Hofwiler] However, the danger still exists that Macedonian nationalists want to establish a national state without the Albanians.

[Halili] Both sides know the bloody history of the two peoples. However, we also know who provoked the bloodshed: The "superpowers" of the Balkans, the Serbian Kingdom and the Turks. Russia also tried to intervene constantly. However, these times belong to the past. The power structures are different in Europe now. Europe expects democracy from us, not war.

[Hofwiler] Does this mean that you rule out attacks on Albanians in Macedonia?

[Halili] This must be prevented by all means. The right-wing extremists close to the VMRO know that as well. Otherwise the Albanians would no longer support Macedonia, and there would be no holding those who dream of a "Greater Albania."

Bosnia-Herzegovina

Liberal Party Says Belgrade Talks Lack Purpose

AU1308103691 Sarajevo Radio Sarajevo Network
in Serbo-Croatian 2000 GMT 12 Aug 91

[Text] At a news conference held at the headquarters of the Liberal Party of Bosnia-Herzegovina, the party presented its views about the SFRY Presidency decision on establishing a cease-fire and about Slobodan Milosevic's invitations to republican officials of Bosnia-Herzegovina and Montenegro to hold talks. Since the Liberal Party is of the opinion that peace is the condition for any political talks, they welcome the decision of the Federal Presidency as an expression of good will to have problems in Yugoslavia solved in a political way.

Although they support negotiations in principle, members of the Liberal Party think that these talks cannot be held without an adopted political platform. (Therefore,) they are of the opinion that the talks organized by Slobodan Milosevic with the republican officials of Montenegro and Bosnia-Herzegovina have no purpose because they are talks among individuals.

Izetbegovic on Tripartite Meeting, Current Issues

LD1308123391 Belgrade TANJUG Domestic Service
in Serbo-Croatian 1101 GMT 13 Aug 91

[Text] Sarajevo, 13 Aug (TANJUG)—I cannot comment on the statement made at the meeting in Belgrade yesterday regarding the settlement of the Yugoslav crisis. I have only read it, but have not studied it carefully. This was stated at a news conference in Sarajevo today by Bosnia-Herzegovina Presidency President Alija Izetbegovic, who, however, sharply criticized Momcilo Krajisnik for representing the Bosnia-Herzegovina Assembly without prior consultations and for, as Izetbegovic said, misinforming the public that Izetbegovic had not come to Belgrade because he was on holiday.

I was at work on Monday, Izetbegovic said, both Milosevic and Krajisnik know that. Everybody knows why I declined to go to Belgrade. Anyway, I explained that in a letter to Serbian President Slobodan Milosevic and it has already been made public.

Izetbegovic also stressed that it is true that Bosnia-Herzegovina did not opt for leaving Yugoslavia. On the basis of this criterion there was no need to convene the tripartite meeting, as Izetbegovic said, because Bosnia-Herzegovina has always stressed that any kind of an incomplete Yugoslavia is unacceptable.

According to Izetbegovic, yesterday's meeting in Belgrade resembled the laying of a foundation-stone for a

future incomplete Yugoslavia. Izetbegovic said that the participation of Bosnia-Herzegovina Assembly representative Momcilo Krajisnik in the tripartite meeting will be discussed in the Bosnia-Herzegovina Assembly, because he violated the constitution of this republic.

At the end of the regular news conference, Izetbegovic announced that a referendum will soon be held in Bosnia-Herzegovina at which citizens will say in what kind of Yugoslavia they wish to live. Regarding the "freezing" of membership in the Bosnia-Herzegovina Presidency of Nikola Koljevic and Biljana Plavsic, Izetbegovic stressed that in his opinion it is a blackmail. "It will either be as I wish, or I will refuse to work," Izetbegovic concluded.